


PUBLIC PAPERS
OF THE
PRESIDENTS



Ronald
Reagan

1983



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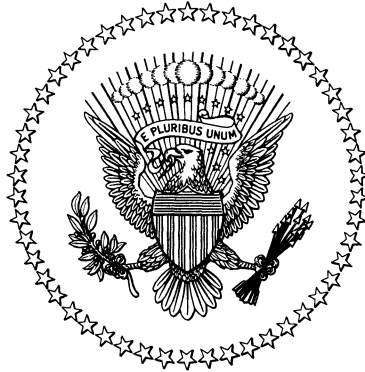
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PUBLIC PAPERS OF THE PRESIDENTS
OF THE
UNITED STATES



PUBLIC PAPERS OF THE PRESIDENTS
OF THE
UNITED STATES

Ronald Reagan



1983

(IN TWO BOOKS)

BOOK I—JANUARY 1 TO JULY 1, 1983



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Foreword

The first half of 1983 was an exciting time for America. Recession gave way to recovery as inflation and interest rates continued their decline, real wages rose, nearly 2 million people found jobs, and all Americans experienced new hope. We moved excellence in education to the top of the national agenda. Parents, teachers, school administrators, State and local officials, and students themselves responded with new efforts to raise academic standards, stress the educational basics, and get violence and drug abuse out of our schools while putting good order in. In domestic legislation, we accomplished a landmark reform of social security. Together with the Congress, we enacted a law to restore the integrity of the social security system and enable the Federal Government to keep faith with the millions of Americans entitled to benefits.

In foreign affairs, the United States hosted the 1983 Summit of Industrialized Nations in historic Williamsburg, Virginia. We joined leaders from Western Europe, Canada, and Japan in discussing issues that will directly affect the history of mankind. We did so in an atmosphere of friendship and trust, and we left Williamsburg with renewed confidence in the strength and freedom of the Western alliance and with renewed determination to labor for peace on Earth under God.

The first 6 months of 1983 were a time of national renewal, a time when America began to heal the wounds of the past and once again look to the future with confidence and courage. The following pages tell the story of these months in detail. I urge the reader to view them as a short but crucial chapter in the history of our great republic.

Ronald Reagan

Preface

This book contains the papers and speeches of the 40th President of the United States that were issued by the Office of the Press Secretary during the period January 1-July 1, 1983. The material has been compiled and published by the Office of the Federal Register, National Archives and Records Service, General Services Administration.

The material is presented in chronological order, and the dates shown in the headings are the dates of the documents or events. In instances when the release date differs from the date of the document itself, that fact is shown in the textnote. Every effort has been made to ensure accuracy. Tape recordings of Presidential remarks are used to protect against errors in transcription, and signed documents are checked against the original to verify the correct printing. Textnotes, footnotes, and cross references have been provided by the editors for purposes of identification or clarity. Speeches were delivered in Washington, D.C., unless indicated. The times noted are local times. All materials that are printed full-text in the book have been indexed in the subject and name indexes.

The Public Papers series was begun in 1957 in response to a recommendation of the National Historical Publications Commission. An extensive compilation of messages and papers of the Presidents covering the period 1789 to 1897 was assembled by James D. Richardson and published under congressional authority between 1896 and 1899. Since then, various private compilations have been issued, but there was no uniform publication comparable to the Congressional Record or the United States Supreme Court Reports. Many Presidential papers could be found only in the form of mimeographed White House releases or as reported in the press. The Commission therefore recommended the establishment of an official series in which Presidential writings, addresses, and remarks of a public nature could be made available.

The Commission's recommendation was incorporated in regulations of the Administrative Committee of the Federal Register, issued under section 6 of the Federal Register Act (44 U.S.C. 1506), which may be found in Title 1, Part 10, of the Code of Federal Regulations.

A companion publication to the Public Papers series, the Weekly Compilation of Presidential Documents, was begun in 1965 to provide a broader range of Presidential materials on a more timely basis to meet the needs of the contemporary reader. Beginning with the administration of Jimmy Carter, the Public Papers series expanded its coverage to include all material as printed in the Weekly Compilation. That coverage provides a listing of the President's daily schedule and meetings, when announced, and other items of general interest issued by the Office of the Press Secretary. Also included are lists of the President's nominations submitted to the Senate, materials released by the Office of the Press Secretary that are not printed full-text in the book, and acts approved by the President. This information appears in the appendixes at the end of the book.

Volumes covering the administrations of Presidents Hoover, Truman, Eisenhower, Kennedy, Johnson, Nixon, Ford, and Carter are also available.

This series is under the direction of John E. Byrne, Director, and Robert E. Lewis, Director of the Presidential Documents and Legislative Division, Office of the Feder-

al Register, and is produced by the Presidential Documents Unit, Brenda A. Robeson, Chief. Editors of this book were Maxine L. Hill and Thomas D. Kevan, assisted by Wilma P. Greene, Katherine A. Mellody, Kenneth R. Payne, Judith B. Craine, William K. Banks, and Sheila P. Jennifer.

White House liaison was provided by Larry M. Speakes, Assistant to the President and Deputy Press Secretary. The frontispiece and photographs used in the portfolio were supplied by the White House Photo Office.

The typography and design of the book were developed by the United States Government Printing Office under the direction of William J. Barrett, Acting Public Printer.

Robert M. Warner
Archivist of the United States

Gerald P. Carmen
Administrator of General Services
May 1984

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Administration of Ronald Reagan

1983

Radio Address to the Nation on New Year's Day *January 1, 1983*

My fellow Americans:

I've always thought New Year's Day was an especially American tradition, full of the optimism and hope we're famous for in our daily lives—an energy and confidence we call the American spirit.

Perhaps because we know we control our own destiny, we believe deep down inside that working together we can make each new year better than the old.

Although last night was one of parties, today is one of resolutions. Reviewing the old year, we try to decide what we can do better in the new. Most of us are with our families, near the warmth of the hearth, watching the parades with our children and football with our friends. Gathered together, we find strength and renewal.

But this special holiday time is tragically marred for too many of us. You may have spotted the reason on the road last night if you had to drive home: the drunk driver.

Each year, approximately 25,000 lives are lost in alcohol-related automobile accidents. An additional 650,000 are seriously injured. The personal pain and heartache caused by these needless tragedies is immeasurable, and billions of dollars are lost in medical costs, wages, and through hours of missed work. This weekend, while millions of Americans are traveling on our highways and streets and while hundreds of millions more are celebrating with their loved ones, let's take a few minutes to think of ways to protect ourselves and our families from the menace of the drunk and drug-influenced driver.

The first step is to realize that a drunk-driver accident is no accident. The motorist who drinks too much and then drives, who uses drugs and then gets behind the wheel of a car, is a disaster waiting to happen. Overall, alcohol is now involved in up to 55 percent of all fatal highway crashes and is a contributing factor in more than 2 million

motor vehicle accidents each year. The drunk driver has turned his car into a weapon—a weapon that threatens the lives and safety of the innocent.

Fortunately, there's a brighter side. Today we have one of our best opportunities in years to tackle this tragic problem. Public awareness has never been higher. Citizens groups, local officials, legislators, judges, police officers—people from all over the country are saying, "Enough is enough. Let's get these killers off our roads and get them off now."

Last April, I appointed a Presidential Commission on Drunk Driving to explore the problem more fully and to work with State and local governments to develop effective programs. Their interim report has already come in and has some useful findings. For example, we've found that people who've had too much to drink are less likely to drive when they know they have a good chance of being caught. The potential drunk driver who understands that prosecution is certain and the penalty swift will be less likely to insist on driving home.

For this deterrent to work, however, State and local law enforcement officials must make it clear that they mean business. Programs are already springing up in some States with good results. In areas where police have made drunk drivers a prime target, traffic deaths have begun to decline. For example, in Maine, alcohol-related crashes have dropped 41 percent since that State's drunk driving program was strengthened. The highway death rate there is the lowest since they started keeping records. Maryland has also intensified its program, and highway deaths there are at a 19-year low.

Since 1980, 11 States have raised the legal drinking age and many other communities, counties, and States have strengthened their laws, some requiring mandatory

jail sentences for first offenders. In New York, for example, the fines and fees levied on those arrested are directed to local alcohol programs. In many areas, citizen groups are assisting State and local task forces, providing legislative support, and participating in court monitoring and victim assistance. Of course, until we change our attitudes and our laws, our best protection is still to buckle our safety belts.

There's much to be done if we're to rid ourselves of this scourge on our roads, and there's a continuing need for private initiative. We must each make it our personal responsibility. If we band together, we can change the laws that will help make the difference. If we insist long enough and loudly enough, we can save lives. So, I thought it appropriate to start the ball rolling on this, the first day of the new year.

Today, we're taking a break from the

concerns and the bustle of the work-a-day world. But we're also making a new beginning. As we gather around our dining room tables for the midday meal, let us thank God for life and the blessings He's put before us. High among them are our families, our freedom, and the opportunities of a new year.

Let us renew our faith that as free men and women we still have the power to better our lives, and let us resolve to face the challenges of the new year holding that conviction firmly in our hearts. That, after all, is our greatest strength and our greatest gift as Americans.

So, till next week, thanks for listening, happy new year, and God bless you.

Note: The President's remarks were recorded on December 23 in the Cabinet Room at the White House for broadcast on January 1.

Radio Address to Flood Victims in Monroe, Louisiana January 2, 1983

Thank you very much, and let me assure everyone out there the interruption will be very brief. I just want to say a good afternoon to the courageous people of Monroe, Louisiana, and the other hard-hit areas of this State.

I welcome this opportunity to tell you, the people of Louisiana, you're not alone. The entire Nation has been following your ordeal. I know many here have lost their homes and life's possessions. But I also know that with every rise in the water level, the spirit and determination of the people of Louisiana have risen as well.

The entire country has watched the volunteers who have been filling and stacking sandbags. You exemplify the concept of neighbor helping neighbor, which is the very basis of our way of life.

You know, in Washington, there's a very famous statue of our soldiers raising the flag at Iwo Jima. Well, maybe the sight of volunteers keeping back the force of river waters by lifting sandbags would make another dramatic statue symbolizing America's char-

acter.

I've just returned from visiting a flood-ravaged area in this part of the State, and what we've seen has given human shape to the statistics the Nation has been hearing about Louisiana: 2 dead, hundreds injured, nearly 10,000 homeless, thousands of dwellings damaged or destroyed. I'm told in the Monroe area alone, 2,000 homes have been damaged, 12,600 acres of farmland have also been damaged.

The flood, whether in Louisiana or Mississippi or in Arkansas, remains as dangerous today as it was in ancient Biblical times.

Louisiana's public officials are doing everything possible to lessen the disaster. I've been briefed by your Governor, Dave Treen, Congressman Huckaby, and Mayor Powell of Monroe. They're working hard to ease the impact of disaster.

And let me add that Louisiana local officials in the parishes and towns have been doing a tremendous job as well. And as you'd expect, the National Guard and the Red Cross are on the scene, and the Salva-

tion Army.

You can take pride in the way your whole State is pulling together to meet this crisis. As in past national disasters, the entire Nation wants to come to your aid. Federal and State officials are working now to assess the extent of the damage. I know Governor Treen is framing a request that portions of Louisiana be declared a disaster area. I have told Governor Treen that I approve that request. The Federal Government will provide every bit of assistance possible and without delay. The Federal Emergency Management Agency and the Army Corps of Engineers are already at work. We must all do everything we can to help our neighbors in Louisiana rebuild their lives.

I know the crest of the flood may not yet have arrived and that the situation may become still more difficult, but please know

the rest of America is standing with you. You have our respect, our prayers, and a helping hand. With your courage and the Nation's support, Louisiana will come through the flood and then you'll do what is in every American's blood—rebuild with hope and determination.

And may I just add that any of you who would like to help in this disaster, you could direct that help earmarked for this particular disaster in contributions to the Red Cross and the Salvation Army.

Thank you, and God bless you.

Note: The President spoke at 3:46 p.m. on a regional radio hookup from a radio station in the flood area of Monroe, following a tour of the stricken area. The President stopped in Monroe on his way to Washington, D.C., from Palm Springs, Calif.

Executive Order 12400—President's Commission on Strategic Forces

January 3, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to establish, in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), an advisory committee on strategic forces, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the President's Commission on Strategic Forces. The Commission shall be composed of no more than 15 members appointed or designated by the President. These members shall have particular knowledge and expertise concerning the national security, strategic forces, or foreign relations of the United States.

(b) The President shall designate a Chairman from among the members of the Commission.

Sec. 2. Functions. (a) The Commission shall review the strategic modernization program for United States forces, with particular reference to the intercontinental ballistic missile system and basing alternatives

for that system, and provide appropriate advice to the President, the National Security Council, and the Department of Defense.

(b) The Commission shall report to the President by February 18, 1983.

Sec. 3. Administration. (a) The heads of Executive agencies shall, to the extent permitted by law, provide the Commission such information as it may require for purposes of carrying out its functions. Information supplied to or developed by the Commission shall not, to the extent permitted by law, be available for public inspection.

(b) Members of the Commission shall serve without compensation for their work on the Commission. However, members appointed from among private citizens of the United States may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service (5 U.S.C. 5701-5707), to the extent funds are available therefor.

(c) The Secretary of Defense shall provide

the Commission with such administrative services, facilities, staff and other support services as may be necessary. Any expenses of the Commission shall be paid from such funds as may be available to the Secretary of Defense.

Sec. 4. General. (a) Notwithstanding any other Executive Order, the functions of the President under the Federal Advisory Committee Act, as amended, except that of reporting to the Congress, which are applicable to the Commission, shall be performed by the Secretary of Defense, in accordance

with guidelines and procedures established by the Administrator of General Services.

(b) The Commission shall terminate 30 days after its report, unless sooner extended.

RONALD REAGAN

The White House,
January 3, 1983.

[Filed with the Office of the Federal Register, 12:04 p.m., January 4, 1983]

Statement Announcing the Establishment and Membership of the President's Commission on Strategic Forces, and Designation of Chairman and Vice Chairman

January 3, 1983

In the 1983 continuing resolution, the Congress expressed interest in several aspects of the strategic force modernization program, including the basing mode for the next generation ICBM. The legislation requested a report addressing these concerns not earlier than March 1, 1983. To help in this congressionally directed effort, I am today establishing a bipartisan Commission on Strategic Forces. The Commission will review the strategic modernization program with particular focus on our land-based intercontinental ballistic missile system and basing alternatives for that system. An important part of the Commission's work will be to consider carefully the views of the Congress.

I am pleased to announce that I have asked the following distinguished Americans to serve on the Commission, subject to the customary clearances for such appointments, and they have agreed to serve.

The Honorable Brent Scowcroft, former Assistant to the President for National Security Affairs, to serve as Chairman;

The Honorable Thomas Reed, Special Assistant to the President and former Secretary of the Air Force, to serve as Vice Chairman;

The Honorable Nicholas Brady, former Senator from New Jersey;

The Honorable Harold Brown, former Secretary

of Defense and Secretary of the Air Force;

The Honorable William Clements, former Governor of Texas and Deputy Secretary of Defense;

Dr. John Deutch, dean of science at MIT and former Director of Research at the Department of Energy;

The Honorable Alexander M. Haig, Jr., former Secretary of State and Supreme Allied Commander in Europe;

The Honorable Richard Helms, former Director of Central Intelligence;

John Lyons, vice president of the AFL-CIO and chairman of the defense subcommittee of its executive council;

Vice Adm. Levering Smith (USN, Ret.), former Director of Special Projects for the Navy;

The Honorable James Woolsey, former Under Secretary of the Navy.

Dr. Marvin Atkins, Director of Offensive and Space Systems in the Office of the Secretary of Defense, is to serve as Executive Secretary of the Commission.

I have directed the Chairman of the Commission to seek out the views and assistance of a wide variety of distinguished authorities in the strategic field and to consult closely with Members of Congress throughout the Commission's deliberations.

I cannot overemphasize the importance of the complex task facing the Commission and how much the success of this distin-

guished group hinges on constructive cooperation among the Commission, Congress, the Department of Defense, other agencies, and outside experts. In undertaking this vital mission, I ask that we all keep the fundamental objective in view—to preserve an effective deterrent while moving forward with negotiations to reach equitable and verifiable arms reductions.

Note: On the same day, the President met in the Cabinet Room at the White House with Brent Scowcroft and several members of the Commission. During the meeting, which also was attended by Secretary of State George P. Shultz and Secretary of Defense Caspar W. Weinberger, the President signed the Executive order establishing the Commission.

Nomination of Barbara Jean Mahone To Be a Member of the Federal Labor Relations Authority, and Designation as Chairman *January 3, 1983*

The President today announced his intention to nominate Barbara Jean Mahone to be a member of the Federal Labor Relations Authority for a term of 5 years, expiring July 29, 1987. She would succeed Leon B. Applewhaite. Upon confirmation, the President intends to designate her Chairman.

Miss Mahone has been associated with the General Motors Corp. since 1968. Since April 1982 she has been manager, industrial relations, Packard Electric Division. She was director of personnel administration, Rochester Products Division, in 1978–1982; manager, career planning, human resources management, in 1974–1977; staff assistant, employee benefits section, in 1973–1974;

and computer programmer/systems analyst, in 1968–1971. She was a full-time student at the University of Michigan in 1971–1973.

Miss Mahone graduated from Ohio State University (B.S., 1968); University of Michigan, Ann Arbor (M.B.A., 1972); and Harvard Business School (P.M.D., 1981). She is the recipient of the 1976 Public Relations Award from the National Association of Negro Business and Professional Women, Inc., and the National Alliance of Businessmen Youth Motivation Task Force Award. She is listed among Outstanding Black Women in 1975. She was born April 19, 1946, in Nostalgia, Ala., and currently resides in South Russell, Ohio.

Proclamation 5009—Bicentennial of Air and Space Flight *January 3, 1983*

*By the President of the United States
of America*

A Proclamation

On November 21, 1783, a French balloonist named Etienne de Montgolfier made the first manned flight in history when he soared aloft in a hot air balloon at LaMulette, France. The balloon sailed over Paris for 25 minutes and traveled five and one-half miles.

This epochal flight fulfilled mankind's

desire, as old as the myth of Icarus, to become airborne. But it was also something more than the fulfillment of a dream. Montgolfier's achievement was a concrete demonstration of the power of technological know-how when coupled with the yearnings of the human spirit. For the first time, man had freed not only his imagination but his physical self from the forces of gravity. With every advance, our imagination and knowledge have leaped forward—from

Montgolfier to the Wright brothers, through the moon walks and the space shuttle.

In the 200 years since that first flight, man's quest to understand the unknown has resulted in our ability to fly higher, faster, safer and farther. We race the sun as we move from continent to continent in a matter of hours. We have vastly multiplied commerce and communication among far-flung peoples. We have flown 250 thousand miles to explore the surface of the moon, and, with this unprecedented triumph of spirit and technology, changed forever our view of the Earth. She is a delicate blue jewel in the darkness of space.

In recognition of 200 years of progress around the globe in manned flight, the Congress, by Senate Joint Resolution 270, has designated the year 1983 as the Bicentennial of Air and Space Flight. I am proud to have been named Honorary Chairman of the United States Organizing Committee, which will plan our participation in activities at home and abroad to commemorate

the Bicentennial. I view the celebration as an opportunity to increase public awareness of our Nation's achievements in aviation and space flight and to rededicate ourselves to the spirit of excellence which has brought us so far so fast.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the year beginning January 1, 1983, as the Bicentennial of Air and Space Flight. I call upon all government agencies and the American people to observe this year with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 3rd day of Jan., in the year of our Lord nineteen hundred and 83, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 12:05 p.m., January 4, 1983]

Letter to the Speaker of the House and the President of the Senate Transmitting the Comprehensive Energy Emergency Response Procedures Report

January 3, 1983

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with Section 3 of the Energy Emergency Preparedness Act of 1982 (EEPA) (P.L. 97-229), I hereby transmit the Comprehensive Energy Emergency Response Procedures Report.

As required by the EEPA, the Report addresses the policies and procedures which the Administration intends to pursue in responding to a severe energy supply interruption or other substantial reduction in the amount of petroleum products available to the United States. It provides an indication of the various response options which may be considered if it becomes necessary to implement any of the emergency authorities outlined in the Memorandum of Law

communicated to the Congress on November 15, 1982. Finally, it identifies specific areas that are under study to determine whether additional or amended statutory authority is appropriate.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.

The 88-page report, prepared by the Department of Energy, is entitled "A Report to the Congress: Comprehensive Energy Emergency Response Procedures—December 31, 1982."

Proclamation 5010—One Hundred and Fiftieth Anniversary of Greene County, Missouri

January 3, 1983

*By the President of the United States
of America*

A Proclamation

The year 1983 marks the sesquicentennial anniversary of the founding of Greene County, Missouri.

Greene County, named for the Revolutionary War hero General Nathanael Greene, has enjoyed a long and distinguished history. Many of its sons and daughters have held high public office and otherwise served the State of Missouri and our nation.

In 1833, Greene County included all of southwest Missouri and remains today an important cultural and economic center. As the third most populous county in the State of Missouri, it continues to grow and prosper.

The Congress of the United States, by House Joint Resolution 630, has requested

and authorized the President of the United States to proclaim January 3, 1983, as the One Hundred and Fiftieth Anniversary of Greene County, Missouri.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim January 3, 1983, as the "One Hundred and Fiftieth Anniversary of Greene County, Missouri."

In Witness Whereof, I have hereunto set my hand this third day of January, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 12:06 p.m., January 4, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on January 4.

Memorandum Returning Without Approval a Bill To Amend the Tribally Controlled Community Colleges Assistance Act of 1978

January 3, 1983

I am withholding my approval of S. 2623, which would amend the Tribally Controlled Community Colleges Assistance Act of 1978 and extend its authorities through 1987.

I am taking this action with reluctance, because my Administration is deeply committed to providing educational opportunities for American Indians. Education is critical to economic betterment for all elements of our society. It is an equally important aspect of increasing self-determination for American Indians. I support fully the intent of S. 2623 to improve existing Indian community college programs. My Administration is dedicated to furthering this goal. The bill which is before me, however, includes a number of provisions that are unacceptable

and that do not contribute to enhancement of Indian education.

Foremost among the unacceptable provisions of this bill is section 2, which would declare the Federal government's support of tribal community colleges to be a part of its trust responsibility toward Indian tribes. College level Indian education has never been characterized in law or treaty as a trust responsibility of the Federal government, and to do so now would potentially create legal obligations and entitlements that are not clearly intended or understood. Such a declaration is wholly unnecessary to the continuation of a successful program of Federal assistance to tribally controlled

community colleges.

Although the conference report on S. 2623 suggests that "Federal policy (on Indian education) should be clear and unequivocal", the enrolled bill is highly ambiguous as to the nature and extent of this new policy of trust responsibility. S. 2623 imposes what the conference report itself admits is a "very general" trust responsibility. However, neither the bill nor the report makes any attempt to define the nature or extent of that responsibility, except to suggest—in nonbinding report language—some concepts that are *not* intended. This vague nonstatutory language could be interpreted by the courts in a variety of ways. It could be read as establishing a trust relationship that creates an absolute responsibility to provide assistance to tribal colleges and Indian students regardless of need, and it could establish a highly undesirable precedent for making all Indian social service programs a part of the Federal government's "very general" trust responsibility.

Finally, section 2 would also provide that grants could be used for the improvement and expansion of physical facilities. When the program of assistance to tribally controlled community colleges was originally conceived, the Congress contemplated use of existing community facilities. To begin a major new building program when there are so many other competing tribal needs would be duplicative, unwarranted, and ill-advised under current economic conditions. Funds provided through the Bureau of Indian Affairs for the tribally controlled community colleges assistance program are for program support only, and should remain so.

Another unacceptable provision is in sec-

tion 14(b) of this bill, which would subject regulations issued by the Secretary of the Interior under the program to an unconstitutional legislative veto device presently found in section 431 of the General Education Provisions Act. The Attorney General has advised me, and I agree, that two Houses of Congress cannot bind the Executive Branch by passing a concurrent resolution that is not presented to me for approval or veto. Such a provision unconstitutionally encroaches on the principle of separation of powers that is at the foundation of our government.

In addition to these strong objections, I also have serious reservations about a number of other provisions of the bill, which could significantly increase Federal expenditures in a time that demands fiscal restraint. Those reservations have been explained in reports and testimony of the Department of the Interior on the bill.

The authorities in the Tribally Controlled Community Colleges Assistance Act are not scheduled to expire until September 30, 1984, under current law. Accordingly, there will be no interruption of our current successful program activities as a result of my disapproval of S. 2623. It is my hope that Congress will reconsider legislation extending the Act early in the next session and enact a bill which both advances the program's objectives and meets the Administration's objections to S. 2623.

RONALD REAGAN

The White House,
January 3, 1983.

Note: The text of the memorandum was released by the Office of the Press Secretary on January 4.

Appointment of Susan S. Robfogel as a Member of the Federal Service Impasses Panel

January 4, 1983

The President today announced his intention to appoint Susan S. Robfogel to be a member of the Federal Service Impasses

Panel, Federal Labor Relations Authority, for the remainder of the term expiring January 10, 1984. She would succeed Charles

Jacob Morris.

Since 1970 Mrs. Robfogel has been a partner with the law firm of Harris, Beach, Wilcox, Rubin and Levey of Rochester, N.Y., specializing in labor relations law and health law. She has had extensive experience in proceedings before the National Labor Relations Board, the New York Public Employment Relations Board, and the New York State Labor Relations Board, as well as in the Federal and New York courts and before the New York State Division of Human Rights and the Equal Employment Opportunity Commission.

She is a member of the Monroe County, New York State, and American Bar Associations. She currently is a member of the

American Bar Association's labor relations law section and serves on the Committee on Development of Law Under the National Labor Relations Act. She has also been an instructor and lecturer for the New York State School of Industrial and Labor Relations at Cornell University.

Prior to joining her present firm in 1970, Mrs. Robfogel served as senior assistant corporation counsel to the city of Rochester, N.Y.

She graduated from Smith College (1964) and Cornell University Law School (1967). She is married, has two children, and resides in Rochester, N.Y. She was born April 4, 1943, in Columbus, Ohio.

Statement on Signing the Orphan Drug Act *January 4, 1983*

I am pleased to sign into law today the Orphan Drug Act.

Over the past century, the United States—largely through innovative pioneering by private industry and medical researchers in universities—has led the world in developing new drugs that have saved millions of lives. That is a gift to mankind we can be very proud of.

Yet the sad fact remains that many diseases still cripple or kill hundreds of thousands of Americans, as well as citizens of other countries, because no drugs have yet been developed. These diseases include cystic fibrosis, Wilson's disease, myoclonus, Tourette's syndrome, and certain neuromuscular disorders and cardiac arrhythmias. Statistically, they are rare; yet that is small comfort for those afflicted.

The cost of discovering and developing a new drug is often staggering. By definition, an orphan drug is one that treats a disease that affects 200,000 or fewer individuals—and, from an economic perspective, groups that small do not now justify the kind of research expenditures that companies must make.

The bill that I am signing today helps to cure that problem and consequently, we hope, some of the diseases as well. The bill

provides incentives for the private sector to develop drugs to treat these rare diseases.

It should be pointed out that the Department of Health and Human Services has already made significant progress in this area. Secretary Schweiker established an Orphan Products Board in March 1982, with membership and functions similar to those in the bill. This bill will enhance the steps we have already taken to encourage the development of orphan drugs and ensure that our ongoing program will be permanent. This legislation exemplifies the proper role of government in helping meet legitimate needs in those cases where the free market alone can't do the job.

I am approving this legislation despite the inclusion of a provision about which I have grave reservations. Section 7 of the bill directs the Secretary of Health and Human Services to publish tables showing a causal relationship between radiation exposure and subsequent cancer. The relationship between cancer and low levels of ionizing radiation has long been the subject of research by scientists throughout the world. Despite this intense interest, there is as yet no consensus among radiation experts in relating human cancers and exposure to low

levels of radiation. Yet section 7 mandates that probability of causation tables be calculated for even very small dose levels. Accordingly, I am directing the Secretary of Health and Human Services to complete the tables to the extent that may be possible and scientifically responsible, in light of the analysis also mandated by section 7, which requires him to "assess the credibility, validity, and degree of certainty associ-

ated with such tables."

Despite my reservations on section 7, I am gladly signing the orphan drug bill. I only wish with the stroke of this pen I could also decree that the pain and heartache of people who suffer from these diseases would cease.

Note: As enacted, H.R. 5238 is Public Law 97-414, approved January 4.

Memorandum Returning Without Approval a Bill for the Relief of Certain Silver Dealers

January 4, 1983

I am withholding my approval of H.R. 5858, a bill for the relief of three silver dealers who suffered business losses as a result of their short market positions resulting from a decision by the Department of the Treasury to terminate the sale of Government-owned silver on May 18, 1967, without honoring the dealers' telephonic requests made that day to purchase almost seven million ounces of silver.

These claims were the subject of very extensive proceedings before the former United States Court of Claims, which on May 18, 1967, held that no legally binding contracts to purchase the silver had been established by these claimants, because the claimants (1) were clearly on notice that the Treasury's involvement in the silver market was altogether inseparable from monetary policy, (2) had reason to expect that Treasury would abandon the marketplace just as soon as doing so would serve monetary policy, and (3) knew that Government silver sales would end soon in view of the published reports that Treasury's supply of silver was being rapidly depleted. (*Primary Metal & Mineral Corp. v. United States*, 556 F.2d 507 (Ct. Cl. 1977).)

In parallel proceedings before a trial commissioner of the same court pursuant to a Congressional Reference proceeding under 28 U.S.C. Sections 1494 and 2509 (1970),

the trial commissioner had earlier found that the same dealers had valid breach of contract claims, even though he, too, found that they were well aware of the potential for a sudden termination of the sales program. After the court had rejected his analysis, he nevertheless concluded that the claimants had "equitable" claims sufficient to justify private relief legislation merely because (in his opinion) the Court of Claims was wrong in disagreeing with his legal theory. In its report to the Congress, a review panel of three trial commissioners, without explaining its reasoning, stated that it agreed with this unprecedented rationale for the existence of an equitable claim against the Government.

To permit the silver dealers covered by H.R. 5858 to recover over \$3.3 million without any findings that they received inequitable treatment from the Government, in the face of the unappealed holding of the Court of Claims that they had no legal claims against the Treasury, would establish an undesirable precedent for payment of a host of claims to claimants who may have encountered hardships due to business decisions made with full awareness of the risks that a change in a Government property disposal program might entail. No doubt many similarly situated individuals have had their expectations frustrated in the past

by similar program changes. To single out these three claimants for special relief would be unjust to the others, while payment to all for frustrated expectations would result in an unacceptable interference with the Government's ability to decisively and expeditiously respond to develop-

ments affecting vital national policies. For these reasons I find the bill unacceptable.

RONALD REAGAN

The White House,
January 4, 1983.

Nomination of Robert A. Gielow To Be Member at Large and Chairman of the Railroad Retirement Board *January 5, 1983*

The President today announced his intention to nominate Robert A. Gielow to be a member of the Railroad Retirement Board for a term of 5 years from August 29, 1982. He would succeed William P. Adams. He will be the member at large and as such will serve as Chairman.

He is senior vice president, member of the board of directors, and member of the executive committee of Alexander & Alexander Services, Inc., in Chicago, Ill. He was

director, risk analysis and management group, in 1976–1982; director, Midwest region, Alexander & Alexander, Inc., in 1973–1977; and managing vice president, Chicago office, Alexander & Alexander, Inc., in 1969–1974.

Mr. Gielow graduated from Carleton College (B.A., 1940). He is married, has three children, and resides in Glencoe, Ill. He was born August 18, 1919.

Remarks of President Reagan and President Yitzhak Navon of Israel Following Their Meetings *January 5, 1983*

President Reagan. Mr. President, it's been my great pleasure to welcome you today to the White House and to the United States as you begin your visit that will take you on to Boston and New York. And today we've had an excellent opportunity to make each other's acquaintance and to break bread together. And I know now that Nancy and Mrs. Navon are going to have a chance to meet before you depart from the United States, and I know both are looking forward to that.

Your presence here as President of Israel symbolizes the close ties that have always linked our two nations. Ours is a friendship that has deepened over time. It's daily expressed in our unswerving commitment to the security and well-being of the State of Israel. Of course, the security of Israel is inescapably connected with peace in the Middle East, the principal goal of both our

peoples.

A succession of American Presidents have committed this nation to assisting in the achievement of that goal. And I can assure you that our commitment to peace is one that I'm proud to carry forward.

Mr. President, we wish you and Mrs. Navon an interesting and productive visit and a safe return to Israel. Thank you for coming.

President Navon. Mr. President, I am very grateful to you for your kind invitation. It has been an opportunity to exchange views on important issues that relate to the mutual countries, to the peace in the Middle East, to the prospects for peace and security.

In Israel, as you very well know, Mr. President, though there are different views as to policies—whether those who accepted the American views as a basis for negotia-

tions, whether those who didn't find it possible to accept them as a basis—none of them has any doubt as to your dedication to peace, your sincerity and your commitment to peace and to the security of Israel. We're grateful to you personally, Mr. President, we are grateful to the great American people for the generous aid that has been always rendering to my people. And that feeling of gratitude I wanted to express to you, Mr. President.

Thank you.

Note: President Reagan spoke at 1:28 p.m.

to reporters assembled at the South Portico of the White House.

Earlier, President Reagan met privately with President and Mrs. Navon in the Oval Office. The two Presidents were then joined by their senior advisers, including the Vice President, Secretary of State George P. Shultz, and Assistant to the President for National Security Affairs William P. Clark. The Presidents, together with their delegations, then met in the Cabinet Room and attended a luncheon in the State Dining Room.

Message to the Congress Reporting Budget Deferrals January 5, 1983

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report four deferrals totaling \$38,897,952 and a revision to a previous deferral, increasing the amount deferred by \$10,000,000.

The deferrals affect programs in the Departments of Agriculture, Commerce, Housing and Urban Development, and Interior.

The details of the deferrals are contained in the attached reports.

RONALD REAGAN

The White House,
January 5, 1983.

Note: The attachments detailing the deferrals are printed in the Federal Register of January 11, 1983.

The President's News Conference January 5, 1983

The President. I have an announcement and also an opening statement—but the announcement first, and that's most important.

Secretary of Transportation

I have this afternoon nominated Elizabeth Dole, who has been performing magnificently as my Assistant for Public Liaison in the White House—have nominated her to be Secretary of Transportation. And she will be replaced in her present position by our present Ambassador to Switzerland, Faith Ryan Whittlesey. So, welcome to the Cabinet—can't say welcome to the family,

you've been part of it for so long.

Mrs. Dole. Thank you very much.

The President. Well, thank you. And now the opening statement.

Fiscal Year 1984 Budget

I know many of you have questions on the budget and related matters. And since I'm in the midst of making the final decisions, I'd like to address most of those questions when I present the State of the Union and the budget later this month. But let me make a few points now that might anticipate some questions.

Clearly we're facing very big deficits

unless we take action, and we will take action, because the deficits are unacceptably large in the out years. The Federal budget must not become a roadblock on the path to long-term economic recovery.

I'm consulting now with a wide variety of people, and I look forward to working with Congress this year on the issues. The choices we face, as a people, are difficult. But in the long run, I believe the budget should have three fundamental objectives. It must meet our basic human and defense needs. It must treat the people fairly. It must move toward balance, helping lower the interest rates and providing a basis for sustained economic growth. I am confident that working together we can meet these goals.

And now, as I say, since I'll be involved for at least another week in intensive meetings and decisions, I want to hold off on any detailed discussion of the budget, as well as major pronouncements on the various options before us until later this month.

And, Helen [Helen Thomas, United Press International]?

Defense Budget

Q. Mr. President, you may not like this question, but philosophically many of your own party leaders are calling for cuts in military spending, and they have described the deficits as terrifying. They also say that you're in concrete on the subject. My question to you is, how high does unemployment have to go and how much does the economy have to deteriorate before you are willing to accept cuts in the defense budget?

The President. Well, first of all, Helen, I don't think the economy is deteriorating further, because all of the signs for 7 of the last 8 months, the group of economic signs regarding—that are taken as indicators, have been up. Retail sales are up 6 percent over last year. Home sales are up 66—or, I mean, building of houses is up 66 percent over last year. Sale of new homes is up 47 percent over last year. We have brought the interest rates down to the point that inflation is, as you know, the lowest it's been in 10 years—4½ percent. And I think that all the indicators are there to indicate that the economy is getting better, not get-

ting worse.

Now, as for employment, that, of course, is the most grievous problem and the one that's always the last to get well. And yet, for the last several weeks the numbers of people who are applying for unemployment insurance are fewer than they have been. But also greater numbers than those applying are at the same time each week leaving unemployment. Now, admittedly, some of those may leave because they've come to the end of their payments, but also a great many of them are leaving because they've found employment.

There may be some fluctuations in the tenths of percentage points in the present rate, but I believe that we're on the road to the kind of recovery we've been talking about.

Q. But would you back off, sir, on defense spending—increases in military spending?

The President. Well, you're—again you're trying to get me into the details that I've said there are no decisions that have been made. I will look at everything. But let me also say something about the concern on the defense spending.

I don't question the fact that the people are concerned, because they have been receiving through much of the media a constant drumbeat that somehow there is a needless extravagance and that we're overboard on this particular subject. On the chart you will find that in constant dollars the defense budget is just about the same as it's been all the way back to 1962. You will also find that, as a percentage of gross national product, it is smaller than it was in the Eisenhower and Kennedy years. We repeatedly see the figure over a 5-year period of a trillion and a half or a trillion point six. Well, we're still spending more than \$2 trillion in that 5 years on the social programs.

The thing about defense also that I think should be pointed out is that in February of 1981, when we presented the 5-year plan to try and refurbish our military because it was in desperate straits, we certainly could not claim that we were meeting the first priority of government, which is to protect the national security—or provide the national security. But since that time, we have cut our original program by \$41 billion and

done this by reason of inflation coming down, which lowered the cost of some things—fuel and so forth—by improved management procedures and improved procurement. And we're still looking at that and have just had a task force of outside volunteers, all skilled and knowledgeable in business, who have been reviewing and examining the whole Defense Department. And their recommendations will be coming to us shortly.

So, if it can be cut, it will be cut. But the priority must be not if it means reducing our ability below the level at which we can declare ourselves safe.

Tax Policy

Q. Mr. President, perhaps the question of higher taxes fits into the category of decisions which haven't been made, but we all hear, of course, that you are adamantly opposed to it. I was wondering how ironclad is that opposition and your commitment not to raise taxes, particularly in view of the fact that a year ago you voiced such a commitment and then again in September you did and we did have two different sorts of tax increases last year?

The President. Well, the one tax that I know many of you have portrayed as in keeping with my saying it would take a palace coup, when I said that, the gasoline tax was being proposed as just a part of general revenues. But for more than a year—it was a year ago that Secretary Drew Lewis presented the plan and the necessity for rebuilding our roads and our highways and our bridges, because we're faced with the possibility of tragedy in some instances. And I asked him more than a year ago if he would wait a year and bring that back again, and he did. And the proposal was, as we called it, a "users fee" to differentiate between, but this is not a tax for general revenues. This is a tax to do this particular task, which will now very shortly come under the direction of Elizabeth Dole.

With regard to taxes now, I think it's a common rule and an accepted fact that increasing taxes is not the way out of a recession. The tax cuts that we put into place were supposed to, and have, helped stimulate savings. With the additional cut that is coming up in July, we believe that this can

also increase consumption. And we must realize that these deficits, more than half of the deficit is due to the recession, to the fact that people are not working and paying and that instead are, indeed, being a cost item to the Government because of the need to help them in their time of unemployment.

The other part of the deficit that must be met by those of us here in government and solved—and has been there for a long, long time—is structural. It is built-in increase that requires no further legislation, over which no one government has any control, unless they go back and change the basic legislation, that just has in what are called the entitlement programs an increase that automatically takes place. And this is the line on the chart that is going up at the steepest pitch of any spending of government. And this—we must meet both of these problems.

But the real answer to the deficit is recovery of the economy, and therefore whatever we do, we must not be tempted into some temporary treatment of a deficit before us. We want them reduced, but what we must do is get the economy restored on a long-time, permanent basis, and everything we do must be directed toward that.

Q. Well, will that include higher taxes this coming year?

The President. I just said that a tax is the wrong thing to do when you're trying to come out of a recession.

Yes?

Situation in Lebanon

Q. Mr. President, I can't imagine that you're satisfied with the progress of the Middle East initiative that you announced last summer. The Israelis are still in Lebanon; the Syrians are still in Lebanon; the fighting is still going on in Tripoli. And I'd like to know what you are doing to speed things up, especially at the State Department?

The President. Well, we're calling back Mr. Habib¹ from his vacation. He's going to

¹ Ambassador Philip C. Habib, the President's Special Representative for the Middle East.

join Ambassador Draper. Ambassador Habib will be there now.

Jerry [Jeremiah O'Leary, Washington Times], it is not unexpected to us. We would have liked to have had this whole thing move faster, but in view of the situation, not only in Lebanon but the whole Middle East, we never had any illusions that this could be done overnight. And the negotiations are underway now that will lead to the removal of the foreign forces.

And you said that the fighting was still going on in Tripoli. I think it's just started going on recently, and it is a tragedy that that is taking place. But that, again, is why we want the outside forces out, so that the new Government of Lebanon can begin to keep order itself and establish its sovereignty.

Loye [Loye W. Miller, Jr., Newhouse News Service]?

1984 Presidential Election

Q. Mr. President, when are you going to decide in your own mind, when do you think you should decide in your own mind when you're going—whether you're going to run again? And when do you think the rest of us might find out about it from your lips or someone else's?

The President. Oh, I suppose sometime this year.

Q. Could you narrow it down a little bit?

The President. No, I don't think that there's any way to set a date for that. I think it's—I'll know when the time comes.

Sam [Sam Donaldson, ABC News]?

Spending for Social Programs

Q. Mr. President, Speaker O'Neill said the other day that he doesn't think you'll get any cuts, you'll be lucky to get any cuts in the social programs. He said \$30 billion, the figure that's been bandied about, was out of the question. And your old friend Paul Laxalt said that they were pretty close to the bone, meaning that he doesn't think there's much there. Do you agree, or do you think there is some sizable amount that can be cut from that area of the budget?

The President. Well, I heard on the tube the Speaker say that, and I thought to myself, I assume that from now on he will have nothing to say about us being responsi-

ble for the deficit since he has made it plain that he will refuse to approve any reductions in spending. Now, if you've got a deficit, you want to cut it down, obviously you've got to spend less, and I hope that he'll rethink his position on that. I'm sure there are others that don't feel the same way.

Q. Sir, he wasn't, apparently talking about *any* reduction in spending; he was talking about in the social programs, the controllable social programs.

The President. Well, again, you would be getting me into the details that I'm not prepared to talk about now, because no decisions have been made. Nothing has been closed.

Ralph [Ralph Harris, Reuters News Service]?

East-West Relations

Q. Mr. President, there have been a number of approaches to the West recently by the Soviet Union. Today, the Warsaw Pact proposed a nonaggression pact with NATO. And 2 weeks ago, as you know, Mr. Andropov raised the idea of a summit with you. What's your reaction to these new developments?

The President. Well, this is something, I think, certainly to be considered if that's what he is proposing, is a nonaggression pact. But with regard to a summit, I am, in principle, in favor of that. I proposed meeting Mr. Brezhnev in New York at the time of the United Nations Disarmament Conference, believing that he would be there. And then, we know now, I'm sure, why he couldn't make that trip. And so we didn't.

But I think that a summit is something that requires some planning. I don't think you just say, "Let's get together, sit around a table," and then say, "Well, what do we talk about?" I think you have to plan, and you have to know that and believe that you can accomplish something. And when we can be sure of that—no, I would welcome a summit just as I welcomed his suggestion about continuing the talks on reducing of arms.

Q. Mr. President, what about today's proposal for a nonaggression pact between NATO and the Warsaw Pact?

The President. I think this is something that has just happened, and this is something that would require consultation with all of our allies in NATO.

Unemployment

Q. Mr. President, a couple of weeks ago, you made a public appeal to American businessmen for each of them to hire one unemployed person. Can you tell us what reaction you have gotten from them to that so far?

The President. Well, I can't say that I have suddenly received—well, it hasn't been long enough to receive mail—that I have received a flood. I have had comments made to me by people who approved of that. And some of them from businessmen who have said that it has caused them to think and that they're going to give that some thought.

Bill [Bill Plante, CBS News]?

Social Security

Q. Mr. President, Republicans and Democrats, both, on your Social Security Commission seem to have indicated today to the White House that they can go no further in their deliberations until they get some kind of guidance from you. Are you prepared—can you tell us tonight—to personally recommend some balance between the raising of social security taxes and the lowering of benefits—or the growth rate of benefits—in the future?

The President. Bill, our people have been in touch with the Commission. But I have to point out something. Social security was made a political football—and not by us and not by me—to the place where there was no serious consideration given to any effort to try and meet the fiscal problems of social security. As a matter of fact, those who were making it a political football, who more than a year ago denied that it was facing that kind of problem—when we said that it couldn't get by July of 1983 without a correction being made, they denied that. At least we've learned that from the Commission. They have now verified that we were right and it is in that kind of desperate strait. And the fact that we've already had to borrow some money to send the checks is there.

But the appointment of the bipartisan commission was to get it out of the arena of politics and let a bipartisan group come back with, if they could not reach consensus, at least with some alternatives. And then, I think, is the time that we join together and seek to work out a compromise. I believe that for me to now impose myself—I don't care how much they ask for it—for me to impose myself on the Commission and say, "Hey, fellows, this is the way I want you to go," I would then stand back and cock my ear and wait for the loud outcry from Capitol Hill, and the same old political football would be seen going up in the air like a punt on third down.

Q. But, sir, if that's what it takes—if that's what it takes to get this thing going, are you willing to do it?

The President. I think that the alternative is very simple. If they cannot come to a conclusion, then let them submit to us the things that they have proposed and where there are other differences between them, and then it will be up to us.

I do know that Chairman Rostenkowski of Ways and Means has made it known to me that he's going to begin hearings, and he is ready to cooperate with us and knows that we must have a solution.

Assassination Attempt Against the Pope

Q. Mr. President, there have been many allegations that the Bulgarian intelligence service was behind the attempt to assassinate the Pope and that the Soviet intelligence service, the KGB, may have ordered the whole thing. What do you believe? Do you believe the Russians and the Bulgarians were behind it?

The President. I know that the Italians are investigating, and in view of their procedures and their handling of the General Dozier case, I have great confidence in their abilities. But as long as they're investigating, I don't think it would be proper for me to make a comment on this, because I would have no information except the same things that all of us know about this.

Q. If it turned out that the Bulgarians and the Russians were behind it, what impact would that have on Soviet-American relations?

The President. Well, I think that it certainly would have an effect. I think it would have an effect worldwide, and I'd meet that problem when we got to it. But until we do, I'll—well—

Bob Thompson?

International Economy

Q. [Andrew J. Glass, Cox Newspapers] Mr. President, as you know, concern has arisen in the financial community over the large debts accumulated by some developing nations—I believe 300 billion in Latin America alone. Do you see any danger to the banking system as a result of these large debts? And what steps is your administration taking to deal with this problem?

The President. Well, of course there's a risk. I think it's a touchy financial situation worldwide just as this recession is worldwide. We have been taking a number of steps with regard to the international monetary funds that are available for bailouts and so forth—increased the contributions to those. We have taken unilateral action with some of our neighbors, as you know, to tide them over and help. And a number of the countries, as a result, are engaging in austerity programs.

I'm inclined to believe that we're going to come through this all right. If there was widespread default, there would, of course, be some very severe financial problems.

Nancy [Nancy Schwerzler, Baltimore Sun]?

Employment Programs

Q. Mr. President, during the lameduck session of Congress, the House and Senate each individually approved a jobs program. They subsequently withdrew them at your request and your threatened veto. Yet at the same time, they asked you to include a jobs program in your budget. Will you do so in your budget? Will you offer any kind of a detailed job-creating program?

The President. Well, we think that we've done several things along that line. And then I would answer as to why the threat of a veto for the customary job type of program.

First of all, we have a billion-dollar program that's going to train a million people a year. And part of our unemployment, just

like the deficit, is structural. There are jobs that people have been laid off from that will not exist ever again. There is a structural change in our work force that is going on. And, again—you've heard me say it before—but on the weekend again I was looking at some of the help-wanted ads, and the ads are becoming really desperate in companies that are advertising for people with certain skills, which indicates that the workers aren't out there with those skills. That's one.

We have twice extended the unemployment insurance payments to help. We have passed and I have signed the trade export bill, which we think is going to increase the number of businesses in this country that are going to get into the export field. And each billion dollars of export makes about 40,000 jobs.

Also, I think, while it was not for jobs, the program was really designed to meet an emergency in our transportation system—that is also going to provide three hundred to three hundred and fifty thousand jobs.

But let me point out that the housing subsidy bill that I vetoed last summer, vetoed it because by—that program, had it been signed, would probably just begin now or in the near future to be operative. But suddenly in this same period of time, by depending on the market forces, housing starts are up 66 percent. General construction is also up.

The trouble with those so-called job bills—one of them that was talked of in the Congress, and that I refused and said I wouldn't sign, wasn't slated to go into operation until 1985. That's a long time to wait for some jobs. Most of them have the fault that they create maybe some employment over here in the public sector, but no one ever turns around to see what the spending over here did to create some unemployment over here in a different section.

So, I just don't think it's the answer. I think that most job bills come down to being pork barrel.

Yes?

Miami Disturbances

Q. Mr. President, do you share the view of elected officials in Miami that the rioting

there over the holidays was brought on as much by joblessness and economic hardship as by racial tensions? And if you don't share that view, do you see any danger in people with their backs up against the wall in this recession venting their frustration in acts of crime and violence?

The President. I would hate to see that happen. And it certainly would bespeak a difference in the character of our people, because in the Great Depression nothing like that ever took place, when the situation was much worse and there was no unemployment insurance and there was no—for a time—not even any welfare programs of any kind to help out.

I think, though, that when responsible leaders, supposedly, publicly voice their opinion that this is going to happen, they're encouraging it. And I think they ought to think again before they open their mouths.

Yes, Andrea [Andrea Mitchell, NBC News].

Defense Budget

Q. Mr. President, without getting into any details, which I know you don't want to get into, do you agree with Senator Laxalt that there are ways to stretch out defense buildup—the defense buildup over the next 6 or 7 years, let's say—without hurting national security?

The President. Well, we have looked at such things, and we'll continue to look. As I say, we're looking at everything.

One of the problems—a stretchout sounds as if it might not be too serious, but you have to remember, we don't have the military-industrial complex that we once had when President Eisenhower spoke about it. Assembly lines had to be put together and started up again to meet the demand for the weapon systems. Now, you can't say to someone who has gone into business purely to provide us with what we've ordered, you can't suddenly say to him, "Well, now, everybody go home and wait a while; we're not going to take these things." If there can be a stretchout that does not shut down part of your industry.

But, again, in defense, the biggest portion of the spending is not weapons systems. Seventy-five percent of the defense budget is payroll for the troops, readiness, and

maintenance. And only a fourth of the budget has to do with weapons systems.

Q. Well, sir, do you think a stretchout is possible? Or perhaps you prefer the freeze ideas on both defense and nondefense that are now being proposed?

The President. Here I thought I explained it all at the very beginning, and you keep on asking those questions. All of those things we will look at.

Q. Philosophically—

The President. Al?

Q. —how do you feel about the freeze?

Social Security

Q. [Peter Brown, Scripps-Howard News Service] Mr. President, to return to social security, the Chairman of your Commission, Mr. Greenspan, says that meeting with your aides and with people on the Hill, that there is a consensus that the solution revolves around a speeding up of payroll taxes and of slowing down future benefit growth. Does that mean that the White House has indicated it is willing to support some kind of payroll tax speedup as part of an overall package?

The President. We're going to look at all the things that they present to us.

Maybe this is an opportunity to let the people know something that I don't think very many people understand: that in 1977, when the payroll tax for social security was increased, the increase just didn't take place then; it goes on all the way to 1990. There's just been an increase in the social security tax for people above a certain level of income, because they raised the amount of income that is taxable. There are three more increases in the social security tax rate that are due, and practically every year there's an increase in the amount of salary that is subject to the tax.

Now, all of these things—I know from our own people having had contact with the Commission—are things that they're looking at. But I have to point out: There is a limit with regard to how far you can go on the tax. And the limit is caused by the fact that a big proportion of our working people today are paying a greater tax in social security than they are in the income tax.

Q. If I may follow. But, as Mr. Green-

span's comments indicate, that, as part of an overall package, you might be willing to accept some form of payroll tax speedup.

The President. As I've said, we will look at that.

The other thing I want to ensure, lest there be some misunderstanding, the one thing that we would not consider—and I don't think the Commission is suggesting this—those people presently dependent on social security are going to get their checks, and their checks are not going to be reduced below what they're presently getting. I think those people have been scared enough by the demagoguery that they've heard for political purposes throughout this last election year and even before. And I want to reassure them no plan is going to reduce their checks or take those checks away from them.

Q. Yes, Mr. President—I'm sorry—

The President. I thought I pointed—

Employment

Q. Thank you very much. Mr. President—

The President. I'll get you next, Sarah.

Q. Thank you, sir.

Q. —each year—picking up on something you said earlier, each year this government pays out millions of dollars to workers who lost their jobs or to firms that lost part of their markets due to foreign competition. Now, in light of the prospects for future hundred-billion-dollar-plus Federal deficits and the fact that many economists have said that industries like steel, auto, and textiles must undergo permanent and basic restructuring to survive, doesn't it make sense for this administration to drop the trade adjustment assistance program and instead use these funds to retrain workers for new jobs, jobs that will exist in the future?

The President. Well, we do have, as I say, a program to train. And I think that there's going to have to be more of that, I will agree, because I think in this restructuring of our work force, we're going to find that there are industries that have traditionally been at a certain level in our country, and we're going to find that we have switched to other lines of industry, to service types of industry, rather than being a smokestack in-

dustrial type—things of this kind. Those changes are being made and are taking place all the time. We're going to have to prepare for them.

Sarah [Sarah McClendon, McClendon News Service]?

Weapons Systems

Q. Yes, sir. Would you look into this, please, sir? Jack Anderson said the other day on a program where he was interviewed by the 700 Club that we have service representatives from defense contractors in the field still working with the troops on complicated defense weapons that the troops are too ignorant and too unable to operate. And he said that the Israelis take our planes and take off all that expensive electronic gadgetry which our military contractors put on these planes, which are not necessary, he said, and which, he said, add to the great cost of these weapons. The Israelis take these off of their planes and learn to fly them effectively and better than any planes ever flown. Would you look into that?

The President. Yes, Sarah. [Laughter] First of all, I don't think it's true. But I also think that the Israelis have proven that those planes must be pretty good.

On the other hand, with regard to our troops, that it would be very strange if we're faced with such ignorance, because the truth of the matter is now that our voluntary military that 2 years ago we were being told was a failure and could never succeed, I am proud to say now has an intelligence level that is higher than in any army in our past history, even including the draft. We also have the highest percentage of high school graduates in that military force than we've ever had before. We have the highest retention rate and the highest reenlistment rate. And we have got a military that's got an esprit de corps that should make every one of us proud of them.

Q. Yes, it's true, sir, a lot of those high school graduates, don't forget, are women. There are more women high school graduates than men. [Laughter] But I want to point out to you that what he said—it was not denouncing the intelligence of the men. It was just saying that these weapons are

too complicated for anyone to use in battle-field conditions, and therefore, they have many, many factory representatives who have to go to war with the troops.

The President. Sarah, I have to say that there's only one criteria, and that is, if we're going to ask an American young man or woman—but I don't think we'll put the young women in those combat front ranks—

Q. We're ready. [Laughter]

The President. I'll tell them they've got

one volunteer already. But if we're going to put those young men out there, they're entitled to have every technological aid that can ensure that they can do the job and that will protect their lives.

Ms. Thomas. Thank you, Mr. President.

Note: The President's 15th news conference began at 8 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television.

Remarks on Signing the Surface Transportation Assistance Act of 1982

January 6, 1983

Today, as this bill becomes law, America ends a period of decline in her vast and world-famous transportation system. Because of the prompt and bipartisan action of Congress, we can now ensure for our children a special part of their heritage—a network of highways and mass transit that has enabled our commerce to thrive, our country to grow, and our people to roam freely and easily to every corner of our land.

This bill was possible because of the contributions of so many Senators and Congressmen, many of whom are standing here today. Without their leadership, cooperation, and determination, this bill would never have become law.

Anyone who's driven the family car lately knows what it's like to hit a pothole—a frustration, expense, a danger caused by poor road maintenance. Woeful tales of highway disrepair have become part of the trucking lore. Bridges are crumbling from under us in many of our older cities while growth is being stifled in our newer ones, because the transportation system can't cope with the expanding population.

Overall, we have 4,000 miles of Interstate Highway that needs resurfacing and 23,000 bridges that need replacement or repair. Our cities need new buses, new or rebuilt railcars, and track improvements that will cost \$50 billion during the next 10 years. Common sense tells us that it will cost a lot

less to keep the system we have in good repair than to let it disintegrate and have to start over from scratch. Clearly this program is an investment in tomorrow that we must make today. It will allow us to complete the interstate system, make most—the interstate repairs and strengthen and improve our bridges, make all of us safer, and help our cities meet their public transit needs.

When we first built our highways, we paid for them with a gas tax, a highway user fee that charged those of us who benefited most from the system. It was a fair concept then, and it is today. But that levy has not been increased in more than 23 years. And it no longer covers expenses. The money for today's improvements will come from increasing the gas tax, or the highway user fee, by the equivalent of a nickel a gallon—about \$30 a year for most motorists.

The repairs and construction are expected to stimulate about 170,000 jobs, with an additional 150,000 jobs created in related industries. Another provision in this bill adds up to 6 weeks of unemployment benefits for people who have used up all their unemployment insurance. Such badly needed assistance will put more than half a billion dollars into the pockets of family budgets of our long-term unemployed.

While the action we take today will bring

some relief to those of us who so want to work and yet cannot find jobs, its principal benefit will be to ensure that our roads and transit systems are safe, efficient, and in good repair. The state of our transportation system affects our commerce, our economy, and our future.

That's why I'm pleased today to sign House resolution 6211, the Surface Transportation Assistance Act for 1982. It will help America enter a brighter and a more prosperous decade ahead. And so saying, and before the bridges fall down, I'll get this bill signed. [Laughter]

[At this point, the President began to sign the bill.]

I don't know why it takes so much more to do the bill than it does for me to talk about it. [Laughter]

It is law.

Note: The President spoke at 9:53 a.m. at the signing ceremony in the State Dining Room at the White House.

As enacted, H.R. 6211 is Public Law 97-424, approved January 6.

Remarks on Signing the Nuclear Waste Policy Act of 1982 January 7, 1983

Thank you very much, and welcome to the White House. Please sit down. You must know that something good has happened when you see all these members of the Congress and of the administration and we're all smiling at the same time. [Laughter]

The 97th Congress received its share of criticism for some things that happened during the lameduck session. But today we're signing a vital piece of legislation that made it over whatever final hurdles there were during the last frantic hours before adjournment. That's a tribute to the dedication of leaders like Senators McClure and Stafford and Simpson and Johnston, Representatives Broyhill, Dingell, and Udall. They and many of their colleagues provided the bipartisan muscle needed to push the bill through the legislative maze—as it always appears to me to be.

I understand that almost a dozen congressional committees were involved in this legislation, but with the partisan support—or bipartisan support, I should say, and cooperation from industry, labor, and the environmental groups, we managed to get it through the process. It's a bill good for all those groups because it's good for America.

The Nuclear Waste Policy Act of 1982, which I'm signing today, provides the long overdue assurance that we now have a safe

and effective solution to the nuclear waste problem. It's an important step in the pursuit of the peaceful uses of atomic energy, a program that was launched by President Eisenhower some 30 years ago. The outlines of that program have changed with the years, but America's leadership in the development and use of peaceful atoms remain strong.

This administration is committed to the use of nuclear energy as a crucial element in the enormous task of supplying America's energy needs. American industry has developed the strong technological base for the production of electricity from nuclear energy, and we owe it to our people to make it possible to use this technology to better their lives.

This act—the culmination of 25 years of legislative effort—clears the barrier that has stood in the way of development of this vital energy resource. It allows the Federal Government to fulfill its responsibilities concerning nuclear waste in a timely and responsible manner.

On October 8th, 1981, I announced several policy initiatives regarding nuclear energy, which Secretary Edwards and Secretary Hodel have worked hard to implement. In April of this last year, I requested legislation in the area of waste that encompasses key elements of this bill: a system of

fees paid by utilities so the full cost of nuclear waste disposal will be borne by the beneficiaries of nuclear power, rather than taxpayers as a whole; a method for State participation in the siting procedures, giving them a strong voice in the process and means for resolving objections; a limited and temporary Federal storage program to assist utilities with grave, near-term storage problems, thus preventing plant shut-downs over the next decade as utilities run out of onsite storage; a commitment to permanent geologic disposal as the ultimate solution to waste problems; a study of monitored, retrievable storage as an interim step toward permanent disposition and a clear distinction between the handling of civilian and defense wastes.

The step we're taking today should demonstrate to the public that the challenge of coping with nuclear waste can and will be met. With resolve and the good sense to work together as was demonstrated by the Congress on this issue, we can and will prevail over the sometimes complex and perplexing problems associated with energy. This legislation represents a milestone for

progress and the ability of our democratic system to resolve a sophisticated and divisive issue.

Enactment of this legislation is particularly appropriate now, because it enhances the prospects of ample supplies of electricity at affordable prices for all Americans.

And with that, and with a thank you to all of these people who are here with us on the platform and who have made this possible, I shall now sign that bill with those pens that will only write one word at a time. [*Laughter*]

[*At this point, the President began to sign the bill.*]

It's a good thing [entertainer] Bing Crosby was never in this spot. He only used his first name. [*Laughter*]

Well, thank you all very much, and thank all of you.

Note: The President spoke at 1:33 p.m. at the signing ceremony in the State Dining Room at the White House.

As enacted, H.R. 3809 is Public Law 97-425, approved January 7.

Remarks to Leaders of Voluntary Groups on United States Assistance for Lebanon

January 7, 1983

The President. I know one of the trials and tribulations of this job is that I come in here and I know there are longtime friends—and I get to say hello to some of you—but then you watch, I'll have to go out that door, and I won't really get to stay and visit. But I'm happy to welcome you all here today.

I want to say how important your work is to the difficult task of rebuilding war-torn Lebanon. And as the people of Lebanon begin to rebuild their nation, the United States stands behind their efforts. Moreover, we're committed to helping restore the government's sovereignty throughout all of Lebanon.

You here today represent organizations that are based on selfless American tradi-

tion of helping our friends in time of need. And you also demonstrate your confidence in the resiliency of the Lebanese private sector and its ability to restore a strong Lebanon economically. And I agree that that's a great source of progress and hope.

I'm pleased that we could bring you all here today. Before I go, let me say the spirit of voluntarism that your organizations reflect is a remarkable tribute to the altruism that is found here in this land of ours. And I wish you every success in what you're doing, and God bless you and thank you for it.

*Mr. Younes.*¹ Mr. President, Mr.

¹ *Sleiman Younes, Counselor of the Embassy of Lebanon.*

Secretary, [Secretary of State George P. Shultz], distinguished friends of Lebanon:

It is for me a privilege and a great honor to convey to you the following message of President Amin Gemayel.

"Mr. President, Distinguished Guests: I wish, first, to thank President Reagan for his commitment to save Lebanon from the dangers that face it and to help it in the . . . reconstruction effort that lies ahead. The convening in the White House of representatives of private volunteer organizations, and of distinguished American citizens, for the purpose of deliberating on Lebanon, is an expression of concern on your part, which we greatly appreciate.

"The Lebanese people, who have suffered unparalleled losses in life and in property, now look with hope to a brilliant future. . . . This hope . . . hangs almost exclusively on the commitment of President Reagan to save the valiant Lebanese democracy from the external dangers that face it. This is a great challenge, but greater still is the reward. The historical friendship between the American and the Lebanese peoples, is now stronger than ever. This is so because as free and democratic peoples our destiny is one. We share with you the values of family ties, of religious orientation, of democratic institutions, of a free and dignified personal existence, of tolerance, of private enterprise, and of genuine and lasting universal peace.

"As we look for the future, we must start from the existing facts. Our country is occupied. We need your help to liberate it. Discussions on withdrawal of foreign forces are proceeding slowly. We need your help in

accelerating them. Our cities and villages are devastated. We need your expertise and planning for the reconstruction to rebuild them. . . .

"May I again express, Mr. President, the gratitude of the Lebanese people for your personal concern for their destiny, and may I thank all of you, gathered here in this room, to help my country in alleviating its sufferings, in building its economy, and in finding its rightful place in the pantheon of nations."

Thank you.

The President. I can't help but mention something of which I was very proud, when our marines went into the multinational force. And I think it's symbolic of what we're seeing right here. And that is, our marines landed and then raised aloft on the flagpole the flag of Lebanon. And that is their concern.

Now they tell me I have to go, but I shall turn you over to Peter McPherson, the Director of AID [Agency for International Development].

Danny—

Mr. Thomas. Glad to see you, Mr. President.

Mr. Younes. Thank you, Mr. President.

The President. Yes, sir.

Mr. Thomas. Mr. President?

The President. Yes?

Mr. Thomas. I haven't touched you since you've been President. [Laughter]

The President. I have said of Danny Thomas, he is one of the great statesmen in the show business world. [Laughter]

Note: The President spoke at 1:50 p.m. in the Roosevelt Room at the White House.

Radio Address to the Nation on United States-Soviet Relations and the Vice President's Trip to Europe

January 8, 1983

My fellow Americans:

Today I'd like to share with you some thoughts on one of the most important aspects of America's role in the world—our relations with the Soviet Union. Keeping

the peace for both countries—for that matter, for all mankind, depends on our wise and steady management of this relationship.

As you know, a new leader has come to

power in Moscow. There's been much speculation about whether this change could mean a chance to reduce tensions and solve some of the problems between us. No one hopes more than I do that the future will bring improvement in our relations with the Soviets and an era of genuine stability. What could be more important than reducing the danger of confrontation, increasing the prospects for enduring peace, lowering nuclear arsenals, relieving human suffering in Afghanistan, Kampuchea, and elsewhere?

With your support, this administration has embarked on an effort to restore our nation's strength, credibility, and clarity of purpose in the world. Our aim has been to ensure that America has the will and the means to deter conflict and to defend the interests of freedom. We've done this for one reason and one reason only—because a strong, respected America is the surest way to preserve the peace and prevent conflict.

In this effort, we must learn from history. We all experienced the soaring hopes and then plunging disappointment of the 1970's, when the Soviet response to our unilateral restraint was to accelerate their military buildup, to foment violence in the developing world, to invade neighboring Afghanistan, and to support the repression of Poland.

The lesson is inescapable. If there are to be better mutual relations, they must result from moderation in Soviet conduct, not just our own good intentions. In recent days, some encouraging words have come out of Moscow. Clearly the Soviets want to appear more responsive and reasonable. But moderate words are convincing only when they're matched by moderate behavior.

Now we must see whether they're genuinely interested in reducing existing tensions. We and our democratic partners eagerly await any serious actions and proposals the Soviets may offer and stand ready to discuss with them serious proposals which can genuinely advance the cause of peace.

We do not insist that the Soviet Union abandon its standing as a superpower or its legitimate national interests. In fact, we hope that the new leadership in Moscow will come to realize that Soviet interests would be improved by ending the bloodshed in Afghanistan, by showing re-

straint in the Middle East, by permitting reform and thus promoting stability in Poland, by ending their unequaled military buildup, as we have proposed, by reducing the most dangerous nuclear arms to much lower and equal levels.

We stand ready to work towards solutions to all outstanding problems. Now, this doesn't mean that we should neglect our own defenses. That would undercut our ability to maintain peace and jeopardize whatever chance we may have for changing Soviet conduct. But it does mean that we're always ready to sit down with the Soviets to discuss practical steps that could resolve problems and lead to a more durable and genuine improvement in East-West relations.

Next month, Soviet and American negotiators will resume talks in Geneva on strategic and intermediate-range nuclear forces. We've proposed drastic cuts in those threatening intermediate-range forces. The Soviets have responded in both negotiations with proposals of their own. So, a serious foundation for progress has been laid. America will negotiate energetically and in good faith to achieve early agreements providing for reduced and equal levels of forces. The Soviet leadership must understand that the way to reduce the nuclear threat is by negotiating in the same sincere spirit and not by trying to sow division between the American people and our NATO partners. That kind of negative tactic is certain to fail and can only delay real progress.

A cornerstone of our approach to relations with the Soviet Union is close consultation with our allies on common political and security issues. In this spirit, I've asked Vice President Bush to travel to Europe. Beginning at the end of this month, he will visit the Federal Republic of Germany, the Netherlands, Belgium, Switzerland, Italy, France, and Great Britain, and at the Vatican he will meet with Pope John Paul II. In Switzerland the Vice President will meet with the negotiating teams for the Strategic Arms Reduction Talks, which we call START, and the Intermediate-range Nuclear Forces arms control talks we call INF and will attend a meeting of the Committee on Disarmament in Geneva.

The Vice President's visit to these close friends and allies and his discussions at the Vatican and in Geneva underscore our fundamental commitment to peace and security in Europe and to genuine arms reductions.

So, the new year begins with reason for all of us to hope that if we continue to act firmly and wisely, 1983 can be a time of

peaceful progress for America, for our allies, for the people of the U.S.S.R., and for the entire world.

Till next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Proclamation 5011—National Jaycee Week, 1983 January 7, 1983

*By the President of the United States
of America*

A Proclamation

For more than sixty years, the Jaycees have brought together outstanding young members of communities throughout the Nation to help meet the vital needs of our ever-changing and increasingly complex society. Motivated by their creed "Service to humanity is the best work of life," hundreds of thousands of Jaycees have voluntarily contributed their energy to a wide variety of humanitarian projects and have thereby enriched their country, their communities and their own lives.

As a training ground for new leaders, the Jaycees have made their most valuable and lasting contribution to our society. This organization has for generations launched young Americans on careers of leadership in every field of endeavor.

In recognition of the accomplishments of this organization, the Congress of the United States, by Senate Joint Resolution

240, has authorized and requested the President to issue a proclamation designating the week beginning on January 16, 1983, as "National Jaycee Week."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning January 16, 1983, as National Jaycee Week, and I call upon the people of the United States to observe that period with appropriate programs, ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 7th day of January, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:52 a.m., January 10, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on January 10.

Nomination of Malcolm R. Barnebey To Be United States Ambassador to Belize January 10, 1983

The President today announced his intention to nominate Malcolm R. Barnebey, of Texas, a career member of the Senior Foreign Service, Class of Minister-Counselor, as

Ambassador to Belize. He would be the first accredited American Ambassador to Belize.

Mr. Barnebey served in the United States Army in 1946. He was a teaching assistant

at North Texas State University in 1949–1950, and an instructor at Weatherford College in 1950–1952.

He entered the Foreign Service in 1952 as political officer in Vienna and was economic officer in La Paz in 1955–1957. In 1957–1958 he attended advanced economic studies at the University of California at Berkeley. He was foreign affairs officer in the Department in 1958–1961. He was deputy principal officer in Guayaquil (1961–1963) and program officer in Quito on detail at the Agency for International Development (1963–1964). In 1964–1967 he was Deputy Director, then Director of the Office of Ecuadorean-Peruvian Affairs in the Department. He was Deputy Chief of

Mission in Managua (1967–1970) and in La Paz (1970–1972). He attended the executive seminar in national and international affairs at the Foreign Service Institute in 1972–1973. In 1973–1976 he was Deputy Chief of Mission in Lima. In the Department he was Deputy Director of the National Security Council Interdepartmental Groups and Director of Policy and Plans (1976–1977), and Director of Andean Affairs (1977–1980). Since 1980 he has been principal officer, then chargé d'affaires, in Belize City.

He graduated from North Texas State University (B.A., 1949; M.A., 1951). His foreign languages are Spanish and German. He was born November 8, 1927, in Omaha, Nebr.

Proclamation 5012—Public Employees' Appreciation Day, 1983 *January 10, 1983*

*By the President of the United States
of America*

A Proclamation

January 1983 marks the one hundredth anniversary of the signing of the Pendleton Act which created the Federal civil service system. The Act established the principle of hiring according to merit in the Federal service, and although the system has been modified and refined through the years, it continues to play an essential role in ensuring the stability of the world's largest and most successful democracy. Our ability to function effectively in times of trial and upheaval and to prosper when various national crises have passed depends in no small degree upon the contributions of those who make up our civil service system.

The American civil service system succeeds because of several factors. It is built upon the concept that selection of career government employees must be based upon merit principles, the goal being to hire the most capable and qualified people to do the public's work. It also provides for a vital partnership between political leaders, who bring with them policies and programs endorsed by the electorate, and career civil

servants, who provide the expertise and continuity which are essential to the effective operation of a government as large and varied as ours.

To commemorate the Centennial and to show our appreciation to Federal employees past and present, public agencies and private groups throughout America will sponsor events highlighting the history and accomplishments of the civil service system during January 1983 and in succeeding months.

In recognition of the tremendous contributions of public employees to our Nation's government, the Congress, by House Joint Resolution 619, has designated January 17, 1983, as "Public Employees' Appreciation Day" and has requested the President to issue a Proclamation in observance of that day.

Now, Therefore, I, Ronald Reagan, President of the United States of America, in recognition of the Centennial of the Federal civil service system, do hereby proclaim January 17, 1983, as Public Employees' Appreciation Day.

I urge all Americans to join with members of the Federal civil service system, and the many professional associations and em-

ployee unions which represent them, in commemorating the centennial anniversary of the institution to which they belong and in appreciation of the countless contributions they have made on behalf of all Americans over the past one hundred years.

In Witness Whereof, I have hereunto set my hand this 10th day of January, in the year of our Lord nineteen hundred and

eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:58 a.m., January 11, 1983]

Memorandum on the Centennial of the Federal Civil Service System

January 10, 1983

Memorandum for the Heads of Executive Departments and Agencies

Subject: Centennial of the Federal Civil Service System

As one Federal employee to another, I am requesting that you and your agency join me in commemorating the Centennial Anniversary of the establishment of the Federal civil service system in January 1983. Created upon the signing of the Pendleton Act on January 16, 1883, the civil service has been a critically important institution for the preservation of our form of government. In recognition of this historic event, I have proclaimed January 17, 1983, as "Public Employees' Appreciation Day," urging all Americans to join with the members of the civil service system in celebrating this day.

The American civil service system succeeds because of several factors. It is built upon the concept that selection of career civil servants must be based on merit principles, the goal being to hire the most capable and qualified people to do the public's work. It also provides for a vital partnership

between political leaders, who bring with them policies and programs endorsed by the electorate, and career civil servants, who provide the expertise and continuity which are essential to the effective operation of a government as large and as varied as ours.

We have planned a series of events during the month of January 1983 to commemorate the Centennial and to draw attention to the accomplishments of the millions of Federal workers who have served their fellow citizens down through the years. Many private groups and associations of Federal employees are also planning events that will be coordinated by the Office of Personnel Management. Your active participation and support will help express our appreciation for the achievements of astronauts and nurses, scientists and park rangers, and diplomats and librarians as well as those in scores of other occupations who have contributed to the essential role the civil service continues to play in ensuring the stability of the world's largest and most successful democracy.

RONALD REAGAN

Remarks at the Annual Meeting of the American Farm Bureau Federation in Dallas, Texas

January 11, 1983

Representatives Stenholm and Bartlett, Secretary Block—and, Bob Delano, I thank you very much for this opportunity—and you ladies and gentlemen:

I thank you for that down-on-the-farm welcome that I've just received. I'm like—I once heard a fellow say, "As happy as a hog in a tater patch." [Laughter] And let me tell you why.

I happened to read Bob Delano's Christmas message in a recent Farm Bureau News. And in case you missed it, I'd like to read part of it for you. Bob gave thanks for "all that is good and well on every farm and ranch—for family and health, for understanding neighbors . . . for puppies, kittens, calves, for good rains, fertile soil and good crops . . . for freedom to manage and to speak for oneself, and for the great voice of American agriculture that is Farm Bureau." Well, I say amen to all of these things, because they embody the spirit of the Farm Bureau, and I'm delighted to share in that spirit today.

Now, if there's one thing you must possess to be a farmer, it's patience. I know how difficult the past several years have been for farmers—so difficult, in fact, that they should change the lyrics of that old song to read, "How you gonna keep them down on the farm after they've seen the grain prices." [Laughter]

But I want to thank you for your patience and your support. On several occasions—especially on the legislative front—I've felt like that neighbor who's needed some assistance, and the Farm Bureau has been there with a helping hand. And because of that friendship, my door and Jack Block's door will always be open.

You know, there's a story about a young fellow from the city who hired out to work on a farm during the harvest season. And the first morning everyone was up well before dawn. The new hired hand and the farmer made their way in the dark out to the oatfield and neither one of them saying a word. And finally the city fellow asked

what kind of oats were they going to cut—wild oats or tame oats. [Laughter] The farmer, a little surprised, said, "Well, tame oats, of course. Why do you ask?" "Well," he said, "I was just wondering why we're sneaking up on 'em in the dark." [Laughter] Well, that's about as much as some people know about today's farm problems.

What I'd like today is to discuss what our administration—or how our administration sees the problems and what we plan to do about them. And now I'm going to use the word "farmer" throughout these remarks. I want the women here to know I mean them as well—not only the women who are farm operators but those who are farmwives. Like marriage, farming is a partnership, and I know most of you ladies, even with children and household chores, also help with the livestock or the bookkeeping, and I just wanted to get that little reminder in while your husbands were sitting there to hear it.

All of you well know the reasons for the current farm situation. During the 1970's the world demand for United States farm products exploded. There was a world food shortage at the same time that economies were expanding, and the value of the dollar was declining, making it easier to buy U.S. goods. Having crops in the ground was the next best thing to finding oil on your land, U.S. agricultural exports rose 500 percent in 10 years, and net farm income more than doubled. And farmers did what other American businessmen would do—they tooled up to produce. They bought more equipment, applied more fertilizer, cropped more land, and embraced more science and technology. The acres devoted to corn, cotton, soybeans, and wheat jumped nearly 40 percent during the seventies. Things looked mighty good. While not exactly a gold rush, there certainly was a grain rush.

Agriculture came roaring into the 1980's pulsating with productive capacity and hopes for the future. But 2,000 years ago, the Roman poet Virgil said, "God didn't

will that the way of cultivation should be easy." Well, old Virgil didn't know how right he was. Three years ago this month, the previous administration embargoed grain shipments to the Soviet Union. Our 75-percent share of the Soviet market plummeted to 30 percent. Other countries filled in the gap and then locked in new, long-term trade agreements with the Soviets. We not only lost sales, we lost our reputation as a reliable supplier. It takes years, not months, to regain that reputation.

As you know, we lifted the embargo, and we've been working hard to repair the damage to our farm exports. We want the world to know that it can count on America and her farmers for two things: generous food aid for those who are hungry and the reliability of our farm supplies.

To rebuild our reputation as a reliable supplier, last March 22d I pledged an end to export interruptions except in extreme foreign policy circumstances. I've kept that pledge. As the Governor of another great agricultural State, Charles Thone of Nebraska, said to me last summer, there must be no question about our respect for contracts. We must restore confidence in the United States reliability as a supplier. An agreement would also protect Americans from possible Soviet disruption of our domestic market.

Well, we have now taken another important step toward restoring that confidence, and I wanted you to be the first to know about it. Today I have signed into law House resolution 5447, the Commodity Futures Trading Commission reauthorization legislation. And, as you know, it gives contract sanctity legislation the force of law. Our foreign customers now have the delivery assurance that you've asked for. And we stand ready as a nation to sell them the grain we have and they need. As we have in the past, we'll continue to differentiate between readily available agricultural products and industrial goods and technology.

Other challenges remain to be met. As if the grain embargo hadn't been enough, the world's economic expansion sank into recession, further weakening the demand for our farm products. And to add to that, a stronger dollar increased the prices of our farm products overseas. And the unfair trade

practices of some foreign competitors continued hitting the farmer below the belt.

To top it all off, we've had record growing seasons lately. Even the great industries of America pale in comparison to the efficiency and productivity of the American farmer. What the microchip has done for technology, the American farmer has done for agriculture.

About 15 months ago, we had 185 million bushels of corn in farmer-held reserves. Now we have 11 times that much, 2 billion bushels, an incredible increase in just such a short time, 2 years. We've also had record wheat and soybean crops. And everyone knows about the billions of pounds of butter, cheese, and nonfat dry milk we're holding. Secretary Block has been so worried about those dairy surpluses, he's aging faster than the cheese. *[Laughter]* Yet, while the reserves and the warehouses are bursting at the seams, and despite the fact that we've provided record amounts of price supports, the farmer's wallet holds little more than the stitching.

The result of all these disturbing trends is evident in your communities: low farm prices, low farm incomes. I've seen the news stories on the farm auctions. Some of you've probably been to them. As a rancher myself, I know that when a family has to give up its farm, it's giving up a part of itself as well.

We've instructed the Farmers Home Administration to work with its farmers on a case-by-case basis to help them get back on their feet. Let me also allay any concerns that you may have regarding the Farm Credit System. I support it and expect it to continue providing substantial assistance to the farm community as it has in the past.

Now let me expand on some of the things we're trying to do.

Since our farmers' primary market is domestic, the Nation's economic strength is essential to a strong agricultural economy. You may recall what inflation, interest rates, and taxes were like in 1979, when I spoke at this same convention in Miami. Since then we've cut the estate taxes that were so burdensome to farm families. We've also managed to cut the 1979 inflation rate from 13.3 percent to 4.6 percent for 1982. In the

2 years 1979 and 1980, farm production expenses rose 30 percent. Last year the rate was only 2 percent, and in 1983 it's estimated those costs will hardly go up at all.

We've reduced the prime interest rate, which was at a peak of 21½ percent in 1980; we've cut it nearly in half. And I learned on the plane coming down this morning that where one bank had led the way, the others have now joined in, and the general prime rate is 11 percent. Now, that's still too high, but it's going in the right direction. And I'm pleased to announce that even before we knew that that was going down to 11 percent, the decrease in the Farmers Home Administration interest rates was to 10¼ percent for operating loans and 10¾ percent for real estate loans beginning this January 17th.

But let's face it—and let's not fool anybody—until farm prices go up, you'll be hurting.

Not long ago we proposed a temporary program to help farm families through this difficult period of adjustment. The policy people called our proposal payment-in-kind. That's not very descriptive. It's really a crop swap. And this is how our crop swap plan would work.

A farmer who takes additional acres out of production would be able to swap what he didn't grow for a certain amount of the commodity already in surplus. And he can then do with it as he wishes. The crop swap program would reduce production through a further cutback in planting, decrease surplus stocks, and avoid increased budget outlays that would otherwise be necessary under price support programs.

Now, this plan is aimed at bringing supply more in line with demand and strengthening farm income in future years. It makes our problem the solution. And farmers taking part will have the same or greater net returns, since they will avoid production costs and their risks will be lower. And the plan will also alleviate storage problems and enable sound conservation practices to be applied to more acres. I think we're all aware of the need to do something about soil erosion.

We've got surplus commodities sitting useless in bins and overflowing in warehouses. Let's put those surpluses to work to

help the American farmer. Those surpluses hanging over the market can't help but have an effect on prices.

Now, I know the Farm Bureau already supports our crop swap plan. In the lame-duck Congress, the House passed the plan. The Senate also favored it, but it didn't come to a vote even though only about 1 percent of the Senate opposed it. Well, farm families need the benefits this program can offer.

Because these are unusual and critical times on American farms, we don't have to stand around chewing our cud. So, without waiting, I am today announcing that within our current authority we will launch our crop swap program starting a week from next Monday. Secretary Block has brought with him the details. So, to the American family, let me say, help is on the way.

I also want to say something about the dairy program. It comes as no surprise that the taxpayers are looking very, very hard at the amount of money that's going into the dairy industry. Some people see the dairy program as an automatic milking machine for their tax dollars—\$2 billion a year—and the bucket seems to take more and more.

The taxpayers aren't happy about that. You're not happy about the new 50-cent-per-hundredweight assessment. And I'm not happy about any of it. As you know, the assessment was not the administration's idea. Congress, present company excepted, plopped it in our lap and wrote the savings into the budget as they rejected the more flexible alternative proposed by the administration.

If the assessment doesn't cut production, we must work together to develop a better plan for the dairy industry, a plan that is fair to the farmer and as free as possible from government's heavy hand. President Eisenhower certainly knew why Washington should stay out of the farmer's way. Ike said that farming looks mighty easy when your plow is a pencil and you're a thousand miles from a cornfield. You have to fight the weather. You have to fight insects. You fight all kinds of natural disasters. You shouldn't have to fight your own government, too.

As every horseman knows, when a horse

is really mad, his ears lay straight back on his head. Well, that's about how mad the American farmer is over the unfair trade practices of some of our foreign competitors. I want to say now—and other countries should take notice—we expect fair access to international agricultural markets. We will not give in to protectionist measures, but at the same time, we aren't going to let ourselves be plowed under.

Today in Washington, we're talking with the European Community about our agricultural concerns. Next week, when Prime Minister Nakasone of Japan comes to visit, our discussions will include agricultural exports, particularly, there, beef and citrus.

And let me add that Bob Delano was one of our representatives at the recent GATT ministerial meeting. He also led your State Farm Bureau presidents on two international trade delegations. I have a feeling Bob gave the protectionists quite an earful on those trips.

To help counter the massive European subsidies and eventually bring an end to such practices, one of the things that we're doing is offering overseas purchasers a blended credit program, which combines interest-free direct credits with government-guaranteed private credits, to produce a lower interest rate for foreign customers. By using a hundred million dollars provided by the Congress, we opened the door for additional farm exports of \$500 million in 1982.

Well, this program worked so well that I'm telling you today we'll make available

an additional \$250 million of direct credit over the coming year, giving us the potential for another \$1 billion in agricultural export sales.

Our competitors should know that we're pursuing all avenues for redressing unfair trade practices. They are through raiding the henhouse. America only seeks fair and open trade. But we've declared we will be competitive, and we will be.

Before I go, I want to thank you again for inviting me today. Daniel Webster said, "Let us never forget that the cultivation of the earth is the most important labor of man." I know how much a heartfelt thank you can sometimes mean. So, on behalf of the Nation, let me express our gratitude to you, America's providers, for putting abundant food on our tables.

I believe if America can match the faith and strength and patience of her farm families, there are no limits to what our people can achieve. Yes, we have a long way to go before we set this country to rights. But God has blessed Americans with a fine brave spirit and a rich land. With His help and with yours, we can fulfill what we're meant to be.

Thank you, and God bless you.

Note: The President spoke at 11:20 a.m. at the Dallas Convention Center. He was introduced by Robert Delano, president of the American Farm Bureau Federation.

Following his remarks, the President met at the convention center with members of the Texas Reagan-Bush committee.

Question-and-Answer Session With Reporters in Dallas, Texas, on Defense Spending *January 11, 1983*

Q. Mr. President, are you going to talk first or can we ask you a question?

The President. Gee, you've got me curious now. What would your question be?

Q. Well, Secretary Weinberger said when he talked about these defense cuts at the Pentagon that he couldn't do it without sacrificing some of the state of readiness.

Aren't you concerned?

The President. This would be—I happened to have anticipated—you know, believe it or not, I had a leak about this, that it was going to happen. Since we're not having leaks anymore, I thought I would come out here and give you some information. You could even quote me directly.

Q. What is Secretary Weinberger saying then?

The President. Secretary Weinberger has been working—and not just now and not in connection with our budget activities—but has been working assiduously to get more economies, more efficiencies into the defense program, and he hasn't gotten very much credit for it. As a matter of fact, he has—from our original projection of a 5-year plan in February of '81—he has cut tens of billions of dollars voluntarily before submitting defense budgets.

And I'm delighted with this, that he has come in with this. It's \$11 billion plus, about \$11.3 billion, and it is not setting back in any substantive way at all our defense program, because that still remains the top priority—the security of our people. But he was able to do this in the manner that he, himself, has explained, having to do with the lower rate of inflation, lower fuel costs, and things of that kind.

Now obviously, there might have been some things that will be slowed a little bit, but they are not absolutely essential to the major buildup. So, we're not reversing our course in that.

Now, the second thing, though, that I'm very happy about is it does, I think, fit in with what we're going to go to the Congress with, and that is an across-the-board, fair program that meets some of our economic problems. And this just enhances that because of the abuse that he's been taking on that.

It is not a ploy. It is not designed as something to try and persuade Congress at all. I hope they will accept it in the way in which it was done and then work with us across the board, as I say, on the entire budget program.

Q. Is this now down to the bare bone on defense, sir?

The President. What?

Q. Is this now down to the bare bone? Would you say this \$11 billion is really down to the bottom line?

The President. Well, it does not interfere with the production of any weapon system at all.

Q. What I mean is, do you think there's any more to be gotten if Congress says to you, "Mr. President, we want to take an-

other \$11 billion?"

The President. Then Congress would be, I think, endangering the security of this country.

Q. Now, what about his statement this morning, sir, that he can't do this without sacrificing some readiness—

The President. Well, some readiness—[inaudible]—admitting to that, I think is a considered judgment and not a risk. It simply is a slight slowdown in some of the things that had earlier been planned with regard to readiness. But I don't think it sets us back any.

Q. Sir, what conditions would you have to impose on your contingency plan on new taxes?

The President. That's a whole different subject. And as I told you the other night at the press conference, that I'm not going to talk about any of those things on which there are no decisions that have been made as yet. But I did feel that this announcement having been made, that I wanted to explain to you straight from the horse's mouth what it meant and what it will mean in our budgeting process—[inaudible].

Q. You talk about across the board, sir. Is there going to be some kind of a domestic spending freeze as well?

The President. Again, I'm not talking about—no decisions, believe me, have been made on our budgeting process. We're looking at all the alternatives, and when I've got all that I need in front of me, I will make the decisions which may come as a surprise to some of you, in view of what I've been reading in the press lately.

Q. You made this one, sir. This is a decision you are announcing. This is a decision about the \$11 billion cut.

The President. I'm announcing that I'm accepting that gladly. But Cap did this, and I'm pleased with it and, yes, it will be very helpful.

Q. You're kind of running out of time on these other decisions, aren't you?

The President. We're getting close, but—

Q. How close?

The President. Since I don't have to ask anyone, I'll just make the decision, why, I can wait until the last minute.

Q. How low can you get the deficit, sir?

The President. I can't answer that one now. You'll have to wait till we're ready to make our announcement.

Q. Mr. President—[inaudible]—about the reports of your tax—[inaudible]—willingness to increase taxes, a decision to increase taxes in '86? The other leak in the paper this morning about increasing taxes—

The President. That's what I say about—that's why we try to curb the leaks. It's unfair to you people. You go out in good faith and misinform the people because many of these things are only, maybe, series of options that have been suggested and they're not a fact, but—

Q. Could you straighten us out on that?

The President. Not now. As I said, no decisions yet. I won't start getting into pieces of the budget—

Q. Have you really had leaks up to your kiester, sir? [Laughter]

The President. I didn't expect that to be quoted. [Laughter]

Q. How is your kiester, sir? [Laughter]

The President. I'd like to go back to those days when the press, voluntarily, never quoted a President without his permission. You have permission to quote me.

Q. Thank you.

Note: The exchange began at 11:45 a.m. at the Dallas Convention Center.

Remarks to Members of the Board of Governors of the North Texas Food Bank in Dallas January 11, 1983

The President. Mr. Mayor—I guess he didn't come over here with us.

Mayor Evans. Here I am, right here.

The President. Ah, there you are. Mr. Mayor and Doug Nelson, who, as the mayor says, is quarterback here, and all of you who are doing this work, I just wanted to stop by here today and shake a few hands and deliver some pats on the back, because this North Texas Food Bank is such a wonderful story.

I think that just a few years ago this whole thing was just something in the mind of a number of you who are concerned and community-minded citizens, beginning with Kathy Cain. And today millions of pounds of food are being distributed to over a hundred agencies. With a little seed money from the Department of Health and Human Services and some good volunteers from ACTION, I can't think of a more effective private and public partnership than this food bank.

In addition to the hard work that's gone into building this enterprise, I think also that there's been some hard work at the State level—the State legislature, Governor Clements, and all those who worked to pass

the good-faith donor bill. And they deserve congratulations, also. I'm told that before that bill became law, there were no food banks of this magnitude in Texas at all. Now, there are 10 and with more springing up all the time.

Food banks alone aren't going to solve the hunger problem, I know; but they do make a more efficient use of existing resources as the second harvest network has shown. I hope that others will follow this example, and I'm happy to note that the National Grocers' Association and the Grocery Manufacturers' Association are telling their members to participate in this kind of enterprise and in local food banks.

Well, I'm proud about what you've accomplished here in north Texas. And I know you must be very proud also. I've been talking for a long time about private sector initiative. You might be interested to know that you're in a computer bank in Washington, in the White House, because our private sector initiative committee has gathered from all over the country all kinds of wonderful programs that people like yourselves have thought of and are making work. And, thus, anyone can call in, and

from the computer we can give them names of people to call to find out how it was done, what the program was, and whether it would suit them.

Barbara Bush came down on the plane with me today, and she's going to be here in the area. And then she's going to Midland to talk. And I was talking to her about something which she, coming from that area, knew about already that's in that computer bank. Midland, Texas—you've probably heard of Christmas in April that they have, the repair and refurbishing of homes for the elderly and the disabled and so forth. Well, this is just a sample of what I

meant by private initiative all the time. We just used to call it neighborliness in our country, until the Government started sticking its nose in. Well, if you want to put the Government's nose out of shape, I won't be mad. [Laughter]

Thanks again. Now I'm going to see some of your operations here.

Note: The President spoke at 12:23 p.m. in the food bank's warehouse facility.

Following the President's appearance at the food bank, he returned to Washington, D.C.

Appointment of Three Members of the Board of the Panama Canal Commission

January 11, 1983

The President today announced his intention to appoint the following individuals to be members of the Board of the Panama Canal Commission. These members are citizens of Panama. This is in accordance with the Panama Canal Treaty of 1977.

Oyden Ortega Duran would succeed Ricardo A. Rodriguez. He is an attorney and was Minister of Labor and Social Welfare of Panama in 1978–1982. He was born July 6, 1944.

Fernando Cardoze Fabrega would succeed Thomas Paredes Royo. He is a partner in the law firm of Arias, Fabrega & Fabrega. He was secretary of the board of directors of the Latin American Export Bank in 1980–1982. He was born October 11, 1937.

Carlos Ozores Typaldos would succeed Edwin Fabrega Velarde. He has been Ambassador of the Republic of Panama to the Panamanian Mission at the United Nations since 1981. He was born August 7, 1940.

Remarks Announcing the Resignation of Richard S. Schweiker as Secretary of Health and Human Services and the Nomination of Margaret M. Heckler for the Position

January 12, 1983

The President. Thank you. I know you're clapping for both of my companions up here, but I'll say thanks for them. [Laughter]

It's with deep regret that I have today accepted the resignation of a trusted adviser and able administrator and a man who's done an outstanding job as Secretary of Health and Human Services.

Dick Schweiker and I first became ac-

quainted in 1976, when he joined me as a potential runningmate during the battle for the Republican nomination. Since then, we've maintained a strong relationship and a personal friendship that I greatly value and expect to continue.

During these last 2 years as head of the biggest and most costly department of the Federal Government, Dick Schweiker has proven himself in a job that has ground

down lesser individuals. Many of our efforts to control the spiraling costs of government depended on his enterprise. I can say without hesitation that we are proud of the job that he has done.

Dick Schweiker has given his country many years of outstanding public service—first in the House of Representatives, then in the Senate, and the last 2 years as a member of the Cabinet. He's made his contribution and now is moving on. I understand he's been offered a fine opportunity in the private sector, and I wish him the best of luck.

And now I'm happy to announce an outstanding replacement, former Congresswoman Margaret Heckler, my choice as the new Secretary of Health and Human Services.

Congresswoman Heckler brings to the job extensive experience in the workings of government. She served eight terms in the House of Representatives. She has proven herself a practical and compassionate public servant. And I'm confident that she will prove an invaluable member of our team, and I'm looking forward to working with her in the days and months ahead.

Later this morning I will announce my choice for the vacant position of Under Secretary of HHS. But now it's a heartfelt thank you and goodbye to Dick Schweiker—but not really goodbye, because I know he'll be on tap anytime I want to sound him out for counsel and advice—and a warm welcome to Margaret Heckler, who'll be the new Secretary of Health and Human Services.

Secretary Schweiker. Mr. President, I want to thank you for the tremendous opportunity and privilege of serving in your administration. Of my 22 years in the Congress, Senate and House, and the Cabinet, the most exciting and most rewarding period of service was working with you as President. I'm really proud of the opportunity that you gave me.

I'm also proud of the accomplishments that you as President have made and of the

success that you're having over many difficult obstacles. I'm proud to have been part of that team, to see the team continuing in such a fine choice as Mrs. Heckler, and proud to be successful in what I believe is a very important new beginning for this country.

And finally, Mr. President, I'd like to say that now that I'm in the private sector, I'm a private sector volunteer. And when you decide to run for reelection I want to be out there helping you or any other private sector assignments you give me.

Thank you very much.

Secretary-designate Heckler. Mr. President, it's quite obvious from the warmth of the response to Dick Schweiker's statement that all Americans, those here and those who will be witness to the event, are also in the line of those who will be applauding the great work that he has done in your behalf and in leading this important agency. I think that all Americans are grateful to Dick Schweiker for his performance.

And I want to say that it is following that set example of leadership and, I think, of commitment that I am especially honored to be chosen as his successor. I consider it a great honor to have your confidence expressed in me. I know that my 16 years of service on Capitol Hill will be of value. But I feel, frankly, that you have offered me the greatest challenge of my life.

But for the honor, and but for one other fact, I would never have undertaken to accept what is the greatest challenge of my life, and that is the honor of serving the finest President that I have known. And, indeed, it is with a sense of faith in your vision and your goals for America, faith in President Reagan, that I accept what I think is the hardest assignment in Washington.

I am honored, I am very proud, I am grateful, and I hope to live up to your expectations.

Note: The President spoke at 10:12 a.m. in the East Room at the White House.

Letter Accepting the Resignation of Richard S. Schweiker as Secretary of Health and Human Services

January 12, 1983

Dear Dick:

It is with great regret that I accept your resignation as Secretary of Health and Human Services.

During the past two years, you have administered the Federal government's largest and most important human assistance programs. More than anyone else, you have been responsible for honoring my firm commitment that society's safety net be maintained, so that Americans who require our help in times of need will receive it.

At the same time, it has been your role to make sure that these huge programs are prudently administered, so that America's taxpayers will know that their dollars are being wisely spent. You have performed both of these tasks with unexcelled competence and compassion.

It has been my privilege to seek your advice on many issues, including those not directly within your area of responsibility. Because of your long experience in government and your recognized devotion to the public good, your counsel has always been of a high quality, and I expect to continue calling upon you in the future.

Your desire to return to the private sector after twenty-two years in public life is, of course, understandable. Nancy and I send you and Claire every wish for success and happiness in your new endeavor, and we look forward to a continuation of our close personal friendship with you.

Sincerely,

RON

[The Honorable Richard S. Schweiker, Secretary of Health and Human Services, Washington, D.C. 20201]

January 10, 1983

Dear Mr. President:

Four years ago last week, I announced

my intention to return to the private sector after 20 years of public service when my second Senate term ended in January, 1981.

Your gracious invitation to serve as your first Secretary of Health and Human Services was a most high honor and a tremendous challenge which caused me enthusiastically to postpone my plans to leave public service.

In these two years, you have succeeded, despite the tremendous obstacles you inherited, in giving our nation a new beginning. I have treasured this opportunity to serve you and our country as Secretary of the "people's department."

Under you, Mr. President, health and human services spending by the federal government has not gone down. Instead, health and human services spending has increased. In fact, more of your budget—a larger percentage—is aimed at health and social services programs than any previous budget in U.S. history to meet the needs of those most in need.

Unexpectedly, I have just been offered a challenging and rewarding position in the private sector which I did not seek. The opportunity is an unusual one, and it would not be available to me at a later date.

Thus, it is with regret that I respectfully request that you accept my resignation effective early next month. Claire and I will forever cherish the warm friendship that developed between you and Nancy and us.

I shall always be ready to give you any help that I can in the private sector, and particularly want to help in your re-election when you make the decision that I hope you will.

Sincerely,

DICK SCHWEIKER
Richard S. Schweiker
Secretary

[The President, The White House, Washington, D.C.]

Nomination of Margaret M. Heckler To Be Secretary of Health and Human Services

January 12, 1983

The President today announced his intention to nominate Margaret M. Heckler to be Secretary of Health and Human Services. She would succeed Richard S. Schweiker.

She served as a Member of Congress representing Massachusetts' 10th Congressional District from 1966 until 1982, when she was the ranking woman Member in the Congress and the 24th ranking Member of the U.S. House of Representatives. She was the ranking Republican member of the Joint Economic Committee, the Science and Technology Committee, and the House Committee on Veterans' Affairs. She served on the Committees on Banking and Currency, Agriculture, and Government Oper-

ations, and was founder and steering committee member of the Textile Caucus and the Travel and Tourism Caucus. She founded the Congresswoman's Caucus and served as cochair.

She graduated from Albertus Magnus College, Connecticut, and Boston College (LL.B., 1956). She holds honorary degrees from Boston College, Regis College, Stonehill College, Emmanuel College, St. Bonaventure College, and the New England College of Law.

She is married, has three children, and resides in Wellesley, Mass. She was born June 21, 1931, in Flushing, N.Y.

Nomination of John A. Svahn To Be Under Secretary of Health and Human Services

January 12, 1983

The President today announced his intention to nominate John A. Svahn to be Under Secretary of Health and Human Services. He would succeed David B. Swoap, who has resigned.

Since May 6, 1981, Mr. Svahn has been serving as Commissioner of Social Security. From 1979 to 1981, he was a private consultant specializing in public policy management problems.

Mr. Svahn was manager of government services for Deloitte Haskins & Sells from 1976 to 1979, serving as a specialist in investigating Medicaid, welfare, and social services programs. In 1975 and 1976 he served as Administrator of the U.S. Social

and Rehabilitation Service. In 1975 he directed the U.S. Office of Child Support Enforcement. Mr. Svahn has also served as Deputy Administrator, U.S. Social and Rehabilitation Service; Commissioner, Assistance Payments Administration; Acting Commissioner, Community Services Administration; and chief deputy director and director of the California Department of Social Welfare.

Mr. Svahn received a B.A. degree in political science from the University of Washington in 1966. He is married, has two children, and resides in Severna Park, Md. Mr. Svahn was born in New London, Conn., on May 13, 1943.

Appointment of Roswell K. Boutwell as a Member of the National Cancer Advisory Board

January 12, 1983

The President today announced his intention to appoint Roswell K. Boutwell to be a member of the National Cancer Advisory Board for the remainder of the term expiring March 9, 1984. He will succeed Gerald Wogan.

Mr. Boutwell is currently a professor of oncology for the McArdle Laboratory for Cancer Research at the University of Wisconsin. He has been with the University of Wisconsin since 1945. He served on the

board of directors of the American Association for Cancer Research in 1979–1982, and was the Clowes Award Lecturer for the association in 1979. He was associate editor of Cancer Research in 1973–1980.

He graduated from Beloit College (B.S., 1939) and the University of Wisconsin (M.S., 1941; Ph. D., 1944). He is married, has three children, and resides in Mazomanie, Wis. He was born November 24, 1917, in Madison, Wis.

Memorandum Returning Without Approval a Bill To Amend the Education Consolidation and Improvement Act of 1981

January 12, 1983

I am withholding my approval of H.R. 7336, which would make certain amendments intended to improve the implementation of the Education Consolidation and Improvement Act of 1981.

I continue to support the objectives of both Chapter 1 and Chapter 2 of the Education Consolidation and Improvement Act. However, I cannot approve H.R. 7336 because the bill makes substantive changes to the Education Consolidation and Improvement Act that are unacceptable, as well as amendments to the legislative veto provision of the General Education Provisions Act that I believe to be an unwarranted intrusion on the Executive branch's constitutional authority.

Among the unacceptable provisions is section 17(a)(1), which would declare the Federal Government's assistance to disadvantaged Indian students under ECIA Chapter 1 to be a part of its trust responsibility toward Indian tribes. This provision is the same as one included in S. 2623, the Tribally Controlled Community College Assistance Act Amendments, from which I recently withheld my approval. The provision of Federal education assistance to Indian students is not characterized in law or

treaty as a trust responsibility, and has not been held by the courts to be so. As I noted in my Memorandum of Disapproval on S. 2623, to declare the provision of education to Indian students a trust responsibility would potentially create legal obligations and entitlements that are not clearly intended or understood. This provision of H.R. 7336 is unnecessary to the administration of the Chapter 1 program.

Also unacceptable is section 16(b) of H.R. 7336, which would make certain amendments to a two-House legislative veto device presently contained in section 431 of the General Education Provisions Act. The Attorney General has advised me, and I agree, that two Houses of Congress cannot bind the Executive branch by passing a concurrent resolution that is not presented to me for approval or veto.

Another objectionable provision of H.R. 7336, section 1, would require continuation under Chapter 1 of the definition of a currently migratory child that was in use under the antecedent Title I program. This requirement would prevent the Administration from focusing the limited resources available for migrant services under Chap-

ter 1 on those children whose education is actually interrupted as a result of their migrant status.

Other amendments in the bill relating to the Education Consolidation and Improvement Act could be construed to reinstate requirements and procedures contrary to the intent of the Act to provide greater authority and flexibility for State and local educational agencies.

My disapproval of H.R. 7336 in no way reflects upon the efforts of the author of this bill, Representative William Goodling, of Pennsylvania. Mr. Goodling worked closely with the Department of Education to clarify specific weaknesses in the Education Consolidation and Improvement Act

and to reflect that effort in the House report language. Despite his efforts, there are substantive provisions in H.R. 7336 that do not eliminate the ambiguities in the language of the existing ECIA and seem to restore undesirable complexity to the administration of ECIA programs.

Although the bill would make several desirable changes to the Education Consolidation and Improvement Act, the objectionable provisions far outweigh any of its benefits.

For these reasons, I cannot approve the bill.

RONALD REAGAN

The White House,
January 12, 1983.

Nomination of Diana Powers Evans To Be a Member of the National Advisory Council on Women's Educational Programs *January 12, 1983*

The President today announced his intention to nominate Diana Powers Evans to be a member of the National Advisory Council on Women's Educational Programs for a term expiring May 8, 1984. She would succeed Ellen Sherry Hoffman.

She is active in political and civic affairs on local, State, and national levels. She was

a candidate for Oregon State representative, district 31, in 1982. She was a member of the State executive committee for the Oregon Republican Party in 1976-1980.

Mrs. Evans graduated from Stanford University (B.A., 1949). She is married, has three children, and resides in Salem, Oregon. She was born February 28, 1928.

Statement on Signing a Bill Amending the Social Security Disability Insurance System *January 12, 1983*

I am today signing H.R. 7093. This bill enhances the quality and fairness of the social security disability insurance system. It also helps us to maintain the integrity of the disability rolls while protecting the legitimate rights of both beneficiaries and contributors.

When this administration took office, reports by the General Accounting Office and others indicated that thousands of people

who were not disabled were drawing social security disability benefits. Several billion dollars a year were being spent to support people who were not, in fact, disabled. The previous administration and the 96th Congress had agreed that the Department of Health and Human Services should correct this situation by implementing measures passed by the Congress in 1980. These measures provided for reviewing the status

of those receiving social security disability benefits.

Over the past year and a half, the Department of Health and Human Services has improved the administrative processes for determining who should receive disability benefits. To help beneficiaries understand the review process, the Department now begins each continuing disability investigation with an interview in local offices.

With the signing of this bill today, I am pleased to add some useful statutory changes to the administrative initiatives that have already been taken. H.R. 7093 requires a face-to-face hearing as the first step in the appeals process. Such a hearing gives the individual a personal opportunity to present all of the evidence concerning his or her disability. This should make the process more fair for beneficiaries and provide an additional source of information for

those responsible for administering the program. As an added safety measure and to avoid financial hardship for those whose benefits may be mistakenly terminated, this bill permits the continued payment of disability benefits during the appeals process.

H.R. 7093 represents a welcome step by the Congress towards improving the disability appeals process.

In addition, this bill reduces from 30 percent to 10 percent the rate of Virgin Islands tax imposed on certain payments of Virgin Islands source income to U.S. corporations, citizens, and resident aliens. The lowering of the tax rate will significantly encourage U.S. investment in the Virgin Islands and will give the Virgin Islands parity with Guam and the Northern Mariana Islands.

Note: As enacted, H.R. 7093 is Public Law 97-455, approved January 12.

Statement on Negotiations and Personnel Changes Concerning Arms Control and Reduction

January 12, 1983

As President of the United States, I have no higher priority or higher purpose than to reduce the risk and the means of conflict and to help bring a true peace with justice to the world we live in. This administration has undertaken a broad agenda for peace, including special efforts in the Middle East and a program of arms control more comprehensive and far-reaching than any other in our nation's history.

In the START negotiations on strategic weapons, we have proposed a one-half cut in missiles and a one-third cut in warheads of the most destabilizing systems—intercontinental ballistic missiles. Ambassador Edward Rowny will soon be returning to Geneva to resume the serious negotiations underway since last July at the START talks. And Ambassador Paul Nitze will also be returning to Geneva in a few weeks, where the INF talks will resume. In the INF negotiations on Intermediate-range Nuclear Forces, we have proposed the elimination of the entire class of most threatening sys-

tems—longer range, land-based missiles. In both of those negotiations, we have been encouraged by the businesslike nature of the talks and believe a serious foundation for progress has been laid.

In the MBFR negotiations, we and our allies have proposed major reductions to equal levels in the military personnel of NATO and the Warsaw Pact. And, at the Committee on Disarmament in Geneva, we are seeking ways to achieve effective limitations on nuclear testing and chemical warfare. In all of these, and in each of our other arms control efforts, we seek to reduce systems to lower and equal levels, or ban them outright, and to do so on the firm basis of equality, stability, and effective verification. Vice President Bush's forthcoming trip to meet with our European allies demonstrates that our firm dedication to these goals remains unshaken.

Today, I am accepting with regret the resignation of Gene Rostow as Director of ACDA [United States Arms Control and

Disarmament Agency]. Dr. Rostow has served this and other administrations with distinction and has played a key role in launching our comprehensive arms reduction proposals. I am pleased to announce my intention to nominate Kenneth Adelman as Gene Rostow's replacement. I am also asking David Emery to serve as Deputy Director of ACDA.

I also wish to announce I am accepting with regret the resignation of Ambassador Richard Staar. He has provided outstanding service as our representative at the mutual and balanced force reduction (MBFR) negotiations in Vienna. I am asking Ambassador Morton Abramowitz to serve as his successor.

Dr. Rostow and Ambassador Staar have been asked to continue to provide their counsel in other positions in the administration.

As in the past, ACDA will report to and through the Secretary of State and, therefore, I am particularly pleased that Secretary Shultz shares my high confidence in the distinguished persons joining my administration's arms control team today. They are men of great distinction and dedication, and I am confident that they will make an early and major contribution to our efforts to achieve genuine arms reductions. It is essential that we press forward in the search for arms reduction; we shall be unrelenting in our efforts.

Letter Accepting the Resignation of Eugene V. Rostow as Director of the United States Arms Control and Disarmament Agency *January 12, 1983*

Dear Gene:

It is with deep regret that I accept today your resignation as Director of the Arms Control and Disarmament Agency. For more than a generation you have served your country and my predecessors with distinction, providing wise counsel and sound judgment on some of the most difficult foreign policy issues of our time. Your contributions to the launching of our comprehensive proposals now under negotiation in Europe have been critical and I want you to know of my deep personal appreciation.

It is my hope that you will continue to provide us with advice and assistance in the months and years ahead. As you leave, you have my best regards and warmest wishes for the future.

Sincerely,

RON

[The Honorable Eugene V. Rostow, Director,

United States Arms Control and Disarmament Agency, Washington, D.C. 20451]

Dear Mr. President,

For reasons which Secretary Shultz has so kindly discussed with me, I submit herewith my resignation as Director of the Arms Control and Disarmament Agency, effective at once. It has been a privilege to have had this opportunity to serve, and I extend to you my thanks for an extraordinary experience, and my deepest hopes for you and for Mrs. Reagan, and for the people and government of the United States which you lead.

I appreciate your suggestion that I serve in some other capacity. I shall be glad to consider such a proposal in due course.

With respect and regard,

Yours sincerely,

EUGENE V. ROSTOW

Letter Accepting the Resignation of Richard F. Staar as United States Representative to the Mutual and Balanced Force Reductions Negotiations

January 12, 1983

Dear Dick:

It is with great regret that I accept your resignation as U.S. Representative to the Mutual and Balanced Forces Reduction Talks.

Your efforts to implement the arms control objectives of this Administration have been appreciated, especially your work on the concept of a draft treaty which NATO tabled for the first time in Vienna last July.

You have served honorably and worked hard in support of our policies, and all of us owe you a debt of gratitude.

Thank you for your loyal and dedicated service. You may be sure you have my best wishes for every success.

Sincerely,

RONALD REAGAN

Dear Mr. President:

Please accept my resignation as United States Representative to the Mutual and Balanced Force Reduction talks, to become effective at your pleasure.

It has been a personal honor and a privilege to serve in your Administration. I look forward to doing so again in any capacity where you deem my talents of value.

Respectfully submitted,

RICHARD F. STAAR

Note: As printed above, the letters follow the text of the White House press release.

Nomination of Kenneth L. Adelman To Be Director of the United States Arms Control and Disarmament Agency

January 12, 1983

The President today announced his intention to nominate Kenneth L. Adelman to be Director of the United States Arms Control and Disarmament Agency. He would succeed Eugene V. Rostow.

Since August 1981 Dr. Adelman has served as Deputy Representative of the United States to the United Nations. He was Legislative Presidential Delegate to the Second United Nations Special Session on Disarmament (June 1982); Head of the Delegation for the United Nations First Committee, which deals with political and security affairs, including arms control, for the 36th and 37th sessions of the General Assembly. He has also served as a member of the Executive Committee of the Committee on the Present Danger.

Dr. Adelman was legislative officer at the Department of Commerce in 1968-1970.

From 1970-1972, he was with the Office of Economic Opportunity as Special Assistant to the Director of VISTA and also to the Director of Congressional Relations. He was congressional liaison officer at the Agency for International Development in 1975-1976, and in 1976-1977 he was Assistant to the Secretary of Defense.

Dr. Adelman was researching for his dissertation at Georgetown University and at Kinshasa, Zaire, in 1972-1975. He was also senior political scientist at the Strategic Studies Center of SRI International in Arlington, Va.

He has written widely on security affairs in publications such as *Foreign Affairs*, *Foreign Policy*, *Washington Quarterly*, *Wall Street Journal*, and the *New Republic*. He graduated from Grinnell College, Iowa

(B.A., 1968), and Georgetown University (M.A., 1969; Ph. D., 1975). Dr. Adelman is married, has two children, and resides in

Arlington, Va. He was born June 9, 1946, in Chicago, Ill.

Nomination of David F. Emery To Be Deputy Director of the United States Arms Control and Disarmament Agency

January 12, 1983

The President today announced his intention to nominate David F. Emery to be Deputy Director of the United States Arms Control and Disarmament Agency. He would succeed Spurgeon M. Keeny, Jr.

Mr. Emery served in the United States House of Representatives in 1974–1982, representing the First Congressional District in Maine. He served as a member of the House Armed Services Committee and the Merchant Marine and Fisheries Committee. He was also a member of the Republican Policy Committee's Task Force on

Foreign Policy. In January 1981 Mr. Emery was appointed to serve as the chief deputy Republican whip for the 97th Congress.

Previously he was elected from the city of Rockland to the Maine House of Representatives and subsequently served in both the 105th and 106th Legislatures (1970–1974).

Mr. Emery graduated from Worcester Polytechnic Institute in Worcester, Mass. (B.S., 1970). He is married and resides in Rockland, Maine. He was born September 1, 1948, in Rockland.

Appointment of Morton I. Abramowitz as United States Representative to the Mutual and Balanced Force Reductions Negotiations

January 12, 1983

The President today announced his intention to appoint Morton I. Abramowitz to be Representative of the United States of America for Mutual and Balanced Force Reductions Negotiations and to nominate Mr. Abramowitz for the rank of Ambassador. He would succeed Richard F. Staar.

Mr. Abramowitz joined the Foreign Service in 1960 as an economic officer specializing in Chinese affairs. During his 20-year career in the Foreign Service he has progressed to the rank of Career Minister.

Mr. Abramowitz was Ambassador to Thailand in 1978–1981. He was Deputy Assistant Secretary of Defense for International Affairs, on detail from the Foreign Service,

in 1974–1978; political adviser to CINCPAC in 1973–1974; foreign affairs analyst at the State Department in 1971–1973; special assistant in the office of the Deputy Secretary of State in 1969–1971; international economist at the State Department in 1966–1968; political officer in Hong Kong in 1963–1966; and consular-economic officer in Taipei in 1960–1962. He served with the International Cooperation Administration in 1958–1960.

He graduated from Stanford University (B.A., 1953) and Harvard University (M.A., 1955). He served in the U.S. Army in 1957. He was born January 20, 1933, in Lakewood, N.J.

Proclamation 5013—National Inventors' Day, 1983 *January 12, 1983*

*By the President of the United States
of America*

A Proclamation

Almost two hundred years ago, President George Washington recognized that invention and innovation were fundamental to the welfare and strength of the United States. He successfully urged the First Congress to enact a patent statute as expressly authorized by the U.S. Constitution and wisely advised that "there is nothing which can better deserve your patronage than the promotion of science . . ." In 1790, the first patent statute initiated the transformation of the United States from an importer of technology to a world leader in technological innovation.

Today, just as in George Washington's day, inventors are the keystone of the technological progress that is so vital to the economic, environmental, and social well-being of this country. Individual ingenuity and perseverance, spurred by the incentives of the patent system, begin the process that results in improved standards of living, increased public and private productivity, creation of new industries, improved public services, and enhanced competitiveness of American products in world markets.

In recognition of the enormous contribu-

tion inventors make to the nation and the world, the Congress, pursuant to Senate Joint Resolution 140 (Public Law 97-198), has designated February 11, 1983, the anniversary of the birth of Thomas Alva Edison, one of America's most famous and prolific inventors, as National Inventors' Day. Such recognition is especially appropriate at a time when our country is striving to maintain its global position as a leader in innovation and technology. Key to our future success will be the dedication and creativity of inventors.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim February 11, 1983, as National Inventors' Day and call upon the people of the United States to observe this day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 12th day of Jan., in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:11 a.m., January 13, 1983]

Statement on Signing a Bill Amending the Indian Judgment Funds Act

January 12, 1983

I am signing into law today H.R. 3731, a bill which amends the Indian Judgment Funds Act to change the procedures that are used in distributing judgment awards made to Indian tribes by the Indian Claims Commission or the Court of Claims. H.R. 3731 will provide a more workable and flexible procedural framework for the Secretary of the Interior to use in carrying out this program.

Section 3 of the bill would eliminate the unconstitutional procedure in existing law by which one House of Congress could veto the Secretary of the Interior's plan for the use or distribution of judgment funds awarded to Indian tribes or groups. In its place, the bill provides for disapproval of such a plan by a joint resolution, which is adopted by both Houses of Congress and presented to the President for approval or

veto. I applaud the Congress for making this change.

However, in one respect, section 3 does not go far enough. Under this section, the introduction in either House of Congress of a joint resolution disapproving the Secretary's plan would have the effect of recommending the 60-day period during which Congress may decide whether to adopt a joint resolution disapproving the plan. However, action purporting to alter otherwise established statutory requirements may not be taken by one House of Congress without the concurrence of the other House and presentation to the President. Accordingly,

an extension of the statutorily mandated 60-day period would have to be accomplished by legislation.

This same objection applies to section 1. This provision purports to empower committees of Congress to extend the period in which the Secretary of the Interior shall prepare and submit to Congress a plan for the use and distribution of judgment funds. Again, such an extension would have to be accomplished by legislation.

Note: As enacted, H.R. 3731 is Public Law 97-458, approved January 12.

Statement on Signing the Federal Oil and Gas Royalty Management Act of 1982

January 12, 1983

Today, with great pleasure, I am signing into law H.R. 5121, the Federal Oil and Gas Royalty Management Act.

In July of 1981, Secretary Watt appointed the Commission on Fiscal Accountability of the Nation's Energy Resources chaired by David Linowes. He instructed the Commission to investigate serious allegations of theft of oil from Federal and Indian lands, to examine allegations of waste and fraud in the royalty program, and to make recommendations for improving fiscal accountability of the Nation's energy resources. That Commission presented its findings and recommendations to me in January of last year. It found that the past system of royalty management has resulted in a substantial loss of revenues to the United States Government, the States, and Indian tribes. Among its recommendations was the need for legislation to strengthen and clarify the authority of the United States to take strong action in this area.

In March of last year the administration proposed legislation to the Congress to carry out this recommendation. Senator McClure and his Energy Committee devoted

every one of its business meetings from May 10 to July 30 to the consideration of the administration's proposal. I am most grateful to the Senator and his staff for their patience and hard work.

I am also grateful to our friends on the House side who also devoted much time and energy to this legislation. They met our call for quick and strong legislation with a true bipartisan commitment to enact this bill.

Passage of H.R. 5121 is a great achievement for this administration. As you all know, the royalty management system has been plagued with problems for well over 30 years. We are the first administration to acknowledge those problems and to tackle them head-on. Secretary Watt has worked hard to improve a system that provides a major source of revenues for the United States. With the authority granted to the Secretary in the new Federal Oil and Gas Royalty Management Act, I believe that we can have a strong and sound Federal royalty management program.

Note: As enacted, H.R. 5121 is Public Law 97-451, approved January 12.

Designation of James L. George as Acting Director of the United States Arms Control and Disarmament Agency

January 13, 1983

The President today announced his intention to designate James L. George as Acting Director of the United States Arms Control and Disarmament Agency.

Since February 1982 Dr. George has served as an Assistant Director of the Arms Control and Disarmament Agency (for Multilateral Affairs). He was a professional staff member of the National Security Council, Committee on Government Operations, in 1977-1982. He was responsible for investigations, hearings, reports, and legislation for Legislation and National Security Subcommittee Concentration on Foreign Affairs

Reorganization Plans and NATO affairs.

Previously he was professional staff member for Senator Bill Brock (R-Tenn.), Committee on Government Operations, in 1972-1977, and public affairs fellow, Hoover Institution on War, Revolution and Peace, in 1972-1973.

Dr. George graduated from the United States Naval Academy (B.S., 1961), the University of Maryland (M.A., 1969; Ph. D., 1972). He is married, has two children, and resides in Derwood, Md. He was born October 16, 1939, in Chicago, Ill.

Statement on Signing a Bill Designating Certain Areas in West Virginia as Additions to the National Wilderness Preservation System

January 13, 1983

I am pleased to give my approval to H.R. 5161, a bill to designate certain areas in the State of West Virginia as additions to the National Wilderness Preservation System. The areas that H.R. 5161 would set aside as wilderness have unique natural environments that are home to a particularly varied array of wildlife. The Cranberry Wilderness has been recognized by major national conservation groups as especially deserving of the protections that come with wilderness designation.

In signing this bill, however, I must note my strong objection to certain of its features. Congress has not followed prior practice in H.R. 5161 and has required the acquisition of outstanding private mineral rights. By using credits against future payments to the Federal Treasury to pay for these mineral rights, the Congress has devised a back-door financing means that hides the \$20 to \$25 million cost to the taxpayer of this legislation. Virtually all prior designations of wilderness areas were of lands to which the Federal Government

held full title. In those areas in which private mineral rights existed, the wilderness designation was made subject to any such prior claims. This avoided the expenditure of huge sums to acquire those rights. I urge the Congress to return to its prior practice in future wilderness bills. My administration continues its strong opposition to the use of mineral credits to hide new spending.

A second very disturbing precedent in H.R. 5161 is the provision authorizing compensation of certain local governments for the loss of receipts from taxes they might have levied on mining in the designated wilderness areas. If this provision were applied nationally, it would vastly increase the cost of creating and maintaining the Federal wilderness system. I will object strongly to any appropriation to carry out the authorization for these payments contained in H.R. 5161 and to the inclusion of similar language in any future wilderness legislation.

Note: As enacted, H.R. 5161 is Public Law 97-466, approved January 13.

Statement on Signing the Migrant and Seasonal Agricultural Worker Protection Act

January 14, 1983

I have today signed H.R. 7102, a bill which reforms the protections afforded farmworkers under Federal law. This legislation repeals the Farm Labor Contractor Registration Act and enacts in its place the Migrant and Seasonal Agricultural Worker Protection Act.

This new act is the result of a cooperative effort among the Department of Labor, major agricultural employer organizations (including the American Farm Bureau Federation, the National Food Processors Association, the National Cotton Council of America, and the National Council of Agricultural Employers), the AFL-CIO, and the Migrant Legal Action Program. It passed the Congress with strong bipartisan support.

I want to congratulate all parties to this consensus legislation. Their efforts in developing the legislation will result in substantially improved protection for migrant and seasonal agricultural workers, many of whom are disadvantaged minorities.

Their efforts will also result in the elimination of unnecessary regulatory burdens that had been placed on agricultural employers and associations under the old law, and which had resulted in continuous litigation to resolve issues not clearly spelled out in that statute. At the same time, the old law did not clearly define the responsibilities and obligations of agricultural employers to assure that migrant and seasonal agricultural workers received important transportation, housing, and employment protections. I believe the new law will correct these problems and will result in improved protection of working and living conditions for tens of thousands of our nation's agricultural workers.

We will continue our efforts to both reduce unnecessary regulatory burdens and, at the same time, protect essential employment standards in America's workplaces.

Note: As enacted, H.R. 7102 is Public Law 97-470, approved January 14.

Memorandum Returning Without Approval a Bill Designating Certain Areas in Florida as Additions to the National Wilderness Preservation System

January 14, 1983

After careful consideration, I have determined, for the reasons stated below, to withhold my approval of H.R. 9. I regret that this action is necessary, because I support the designation of additions to the National Wilderness Preservation System in the State of Florida, as recommended by the Administration and set forth in this bill. My Administration has proposed almost two million acres of land for designation as wil-

derness and the unique natural habitat designated in H.R. 9 would be particularly valuable additions to the national wilderness system.

Although H.R. 9 is intended to resolve an issue that has been in contention during three prior Administrations, it does so in a way that is unnecessarily costly to the Federal taxpayer. Because of administrative actions taken earlier this week by the Secre-

tary of the Interior, my disapproval of this legislation will not have the effect of permitting phosphate mining to proceed in the Osceola National Forest. I do not object to legislative efforts to preclude phosphate mining in the Osceola National Forest. I do object, however, to the provisions of this bill that would vest previously contingent property rights in certain mining companies. This could require the Federal government to pay those mining companies as much as \$200 million for those property rights—rights that, absent this legislation, might not otherwise have existed.

Specifically, this bill attempts to convey to several mining companies the rights to, and value from, 41 preference right lease applications for deposits of phosphates underlying the Osceola National Forest. Under present law, these mining companies are entitled to these mining leases only if the Secretary of the Interior determines that the phosphate deposits underlying this land are valuable deposits. H.R. 9 would establish property rights to the leases in specific companies by requiring the Secretary of the Interior, and ultimately the courts, to judge the lease applications without reference to the cost of compliance with current applicable statutory and regulatory requirements for environmental protection. Such requirements include those established under the National Environmental Policy Act, the Clean Water Act, and the Clean Air Act. Hence, under this legislation, the determination of whether these phosphate deposits are “valuable” would not take into consideration the cost of returning the Osceola National Forest lands to their natural state as required by current law.

This Administration is opposed to a policy of conveying interests in public resources by waiving applicable statutory requirements that are designed to protect the environment.

Moreover, having required the mineral rights to be conveyed to the companies by the Secretary of the Interior, this bill would then prohibit mining on the leases and require the Federal government to purchase the conveyed lease rights back from the companies. Thus, the bill would, in effect,

force Federal purchase of rights that under current law would remain in Federal ownership in the first place.

Analyses available to the Department of the Interior indicate that no current technology is capable of returning the mined lands to the reclamation standards required by current Federal laws and regulations. The Department of the Interior is faced with an administrative record regarding restoration that demonstrates that the applicant mining companies cannot meet the valuable deposit test required by current law for lease issuance. Consequently, the Secretary of the Interior has advised me that, based on that administrative record, mining should not now take place in the Osceola National Forest, and that he has rejected the preference right lease applications.

However, because H.R. 9 specifies a less strenuous standard than current law, the lease applicants would most likely be found to have met the valuable deposit test were this measure to become law. The Department of the Interior would then have to determine the fair market value of the interests and extend monetary credits to the lease applicants. Further, though the bill provides that the fair market value is to be determined by taking into account all environmental laws, any Secretarial action valuing these leases in a way adverse to the applicants’ expectations would likely result in costly litigation, and the possible recovery in the United States Claims Court of payments to these companies for loss of their “rights” in public resources to which they would not be entitled absent this legislation.

The administrative decision process, necessary under current law to resolve this issue, is being brought to conclusion under my Administration. To the extent that further litigation is entered into on this issue, it should be decided under current law applicable to all similar cases.

RONALD REAGAN

The White House,
January 14, 1983.

Memorandum Returning Without Approval a Bill Concerning Contract Services for Drug Dependent Federal Offenders *January 14, 1983*

I am withholding my approval of H.R. 3963, a bill concerning criminal law matters, because its disadvantages far outweigh any intended benefits.

In late September 1982, the Senate overwhelmingly approved a major crime bill by a vote of 95 to 1. That measure, the Violent Crime and Drug Enforcement Improvements Act of 1982 (S. 2572), would have resulted in urgently needed reforms in Federal bail laws to put an end to our "revolving door" system of justice, comprehensive reforms in Federal forfeiture laws to strip away the enormous assets and profits of narcotics traffickers and organized crime syndicates, and sweeping sentencing reforms to insure more uniform, determinate prison sentences for those convicted of Federal crimes. That major crime bill also contained other criminal law reforms. I strongly supported the principal elements of the Violent Crime and Drug Enforcement Improvements Act, especially the bail, sentencing, and forfeiture provisions.

The House of Representatives failed to approve this measure. It adopted a miscellaneous assortment of criminal justice proposals, H.R. 3963, which were approved in the waning hours of the 97th Congress. Although some elements of the House-initiated bill are good, other provisions are misguided or seriously flawed, possibly even unconstitutional. While its provisions on forfeiture of criminal assets and profits fall short of what the Administration proposed, they are clearly desirable. Had they been presented to me as a separate measure, I would have been pleased to give my approval. But H.R. 3963 does not deal with bail reform, nor does it address sentencing reform. Both are subjects long overdue for congressional action.

In addition to its failure to address some of the most serious problems facing Federal law enforcement, this "mini-crime bill" would in several respects hamper existing enforcement activity. I am particularly concerned about its adverse impact on our ef-

forts to combat drug abuse.

The Act would create a drug director and a new bureaucracy within the Executive Branch with the power to coordinate and direct all domestic and international Federal drug efforts, including law enforcement operations. The creation of another layer of bureaucracy within the Executive Branch would produce friction, disrupt effective law enforcement, and could threaten the integrity of criminal investigations and prosecutions—the very opposite of what its proponents apparently intend.

The seriousness of this threat is underscored by the overwhelming opposition to this provision by the Federal law enforcement community as well as by such groups as the International Association of Chiefs of Police and the National Association of Attorney's General. The so-called "drug Czar" provision was enacted hastily without thoughtful debate and without benefit of any hearings. Although its aim—with which I am in full agreement—is to promote coordination, this can be and is being achieved through existing administrative structures.

Upon taking office, I directed the Attorney General and other senior officials of the Administration to improve the coordination and efficiency of Federal law enforcement efforts, with particular emphasis on drug-related crime. This has been accomplished through the establishment of the Cabinet Council on Legal Policy, which is chaired by the Attorney General and whose membership includes all Cabinet officers with responsibility for narcotics law enforcement. Working through the Cabinet Council, the White House Office on Drug Policy is an integral part of the process by which a comprehensive and coordinated narcotics enforcement policy is carried out.

I am pleased with the results of this process, which last Fall led to the creation of a nationwide task force effort to combat organized crime and narcotics trafficking. The war on crime and drugs does not need

more bureaucracy in Washington. It does need more action in the field, and that is where my Administration will focus its efforts.

H.R. 3963 would also authorize the Federal prosecution of an armed robber or burglar who has twice been convicted in State court. This provision includes an unworkable and possibly unconstitutional restraint upon Federal prosecutions in this area, by allowing a State or local prosecutor to veto any Federal prosecution under his or her authority, even if the Attorney General had approved the prosecution. Such a restraint on Federal prosecutorial discretion and the delegation of Executive responsibility it entails raise grave constitutional and practical concerns. It would, for example, surely increase friction among Federal, State, and local prosecutors at a time when we are doing so much to decrease it.

Other provisions of H.R. 3963 are also defective. For example, the provision that expands Federal jurisdiction whenever food, drugs, or other products are tampered with, an expansion that I strongly support, was drafted to include tampering that occurs in an injured consumer's own home. It also fails to distinguish between tampering that results in injury and tampering that results in death. These are, however, essentially technical matters which might have been overcome but for the press of time in

the closing days of Congress. I share the widespread public desire for new legislation on tampering and will work with the new Congress to produce an acceptable bill on that subject.

My Administration has proposed significant legislation to strengthen law enforcement and restore the balance between the forces of law and the forces of crime. Changes in sentencing, bail laws, the exclusionary rule, the insanity defense, and other substantive reforms in criminal law were not passed by the 97th Congress. Such reforms, if enacted, could make a real difference in the quality of justice in this country.

It would have given me great pleasure to be able to approve substantive criminal justice legislation. I completely support some of the features of H.R. 3963, such as the Federal Intelligence Personnel Protection Act. Others I agree with in principle. But the disadvantages of this bill greatly outweigh its benefits. I look forward to approving legislation that does not contain the serious detriments of the present bill, and my Administration will work closely with Chairman Thurmond and Chairman Rodino to secure passage of substantive criminal justice reforms.

RONALD REAGAN

The White House,
January 14, 1983.

Remarks and a Question-and-Answer Session With Reporters on Strategic Arms Reduction and Military Deterrence

January 14, 1983

The President. Ladies and gentlemen, I have a statement here. But before I begin, I just want to explain the subject of this. There has been such disarray, approaching chaos, in the press corps with regard to the subject of arms control that I thought before you unraveled into complete disorder that maybe we should straighten out the entire subject. So, before taking your questions, I'll express a thought or two which are a matter of deep conviction for me with regard to arms control. These con-

cern what we must do before we can expect to be successful and then what principles ought to guide us in our negotiating strategy.

First, it seems to me that the two factors are essential to success in arms control are leverage and determination.

With respect to leverage, it's clear that when I arrived in office there was virtually no hope that we could expect the Soviets to bargain seriously for real reductions. After all, they had all the marbles. We hadn't

designed a new missile in 15 years. We hadn't built a new submarine in the same period, although they'd built more than 60. Our bombers were older than the pilots who flew them.

Today that's no longer the case. Working with the Congress, we have in the past 2 years succeeded in getting authorization for a complete modernization of the triad of strategic forces with the exception of the MX, which still requires congressional action this spring. My point is that now we're in a position to get somewhere, and I'm determined that we shall.

The other quality I mentioned was determination. Recently I've made a few management changes so that we'll have a streamlined team in place through which we can reach decisions promptly and get results in the Geneva talks.

I want to say something else about my strategy toward arms control. It seems to me that if you look back over the history of the past 15 years of talks, certain things emerge. Frankly, some things have worked, and others have not.

Let me be specific. Some people have argued that we ought to try unilateral disarmament, that we should cut our own systems without getting anything from them in return in the hope that our example will lead the Soviets to cut theirs. That approach has been tried on a number of occasions. For example, President Carter decided to cut the B-1 bomber, perhaps in the expectation that the Soviets would cut back on their bomber programs. It didn't work. Instead of cutting back, the Soviets went steadily ahead with the Backfire and another advanced bomber.

On the other hand, some things have worked. Most of you recall that in the late sixties President Johnson tried very hard to engage the Soviets in talks on antiballistic missile systems. At the time, we had no deployment planned; in short, no leverage. The Soviets refused to talk. But then the United States decided to go ahead with an ABM plan, and you know the rest. When it became clear that we would go ahead with the deployment the Soviets came to the table, and we got a treaty that still endures today.

The lesson is that they will bargain when

they have an incentive. And today that incentive exists, and I'm convinced that we can make real progress.

It is with this thought in mind that I had an in-depth meeting yesterday on arms control with some of my arms control advisers. Next week I'll be meeting with Ambassador Ed Rowny and Paul Nitze. We're ready, and I'm confident that with determination we can succeed.

Keeping in mind our commitment to the security of Europe and to peace, and in order to ensure the closest possible coordination with our European allies on arms reductions and deterrence, I've asked Vice President Bush to go to Europe for talks with my European counterparts. And while he's there, the Vice President will meet with the Pope, Prime Minister Thatcher, Chancellor Kohl, President Mitterrand, Prime Minister Fanfani, Prime Minister Martens, and Prime Minister Lubbers, as well as with our negotiating teams in Geneva.

And let there be no doubt: We're ready. We'll consider every serious proposal, and we have the determination to succeed in this, the most important undertaking of our generation.

Now, any of you who have questions on this subject, I think we should dispose of those first.

Helen [Helen Thomas, United Press International]?

Q. Mr. President, do you think that it would be good to have a summit meeting with Andropov first, to try to nail down what they're really proposing now, what all these new proposals mean? And are you ready for such a summit?

The President. No, I think that since the talks are supposed to begin early in February, the first week of February—General Rowny and Ed [Paul] Nitze are prepared to go there—I think that that takes place first, and we see then what that might lead to, or if there is a need for such a meeting.

Questions on the same subject?

Q. Well, sir, I have a question on one of the things you mentioned—the subject of disarray, if I may. There is a perception, Mr. President, that the disarray is here in the White House, that you have been out of

touch, that you have had to be dragged back by your staff and friends on Capitol Hill to make realistic decisions on the budget. There was even a newspaper column saying that your Presidency is failing. Will you address yourself to this perception?

The President. Yes. That's why I came in, to point out to you accurately where the disarray lies. It's in those stories that seem to be going around, because they are not based on fact. And I would suggest that some times you get some unnamed-source information, that any of us here in the White House would be willing to help you out by giving you an answer as to whether that information is correct or not.

Q. Well, sir, specifically on the business of your staff—the stories that your staff and your friends such as Senator Laxalt have had to, sort of, drag you back from an economic game plan that was failing—was it your decision to make these turns that we hear about toward new taxes, toward perhaps a different approach to cutting the budget, and to the defense matters?

The President. Maybe the problem is that what we're doing is a little bit new to Washington. I said from the very beginning that we had a Cabinet-type government—as I'd had in Sacramento—that we had a Cabinet that was chosen for their ability and their knowledge, and not because they controlled delegates at a convention or something, and that I would seek advice and every kind of viewpoint in arriving at decisions. Now, we've been doing that. And it's been working very well. And it is true that I ask and want to hear differing viewpoints on things. But then, I make the decisions. And this has been working very well.

And we've had a very heavy agenda for the last few weeks. We've been working long hours on a number of things that are before us here. And, as I say, we had a very serious and a long meeting yesterday on this particular subject.

But now we're getting too far away from the general subject.

Q. Sir, I'd like to get back to the question of arms control, if I may.

The President. Please do.

Q. Do you think that by the time your first term is over—I know what your hope

on it is—but do you really think that by the time your first term is over that we will have an arms reduction treaty with the Soviet Union?

The President. I think it'd be unwise for anyone, knowing the history of the some 19 attempts by this country to bring about arms reduction and control with the Soviet Union in the past, to make a prediction or put a time limit of any kind on this. I will say this: We will stay at a table negotiating as long as there is any chance at all of securing arms reduction, because it is the most important problem facing this generation.

Q. Sir, could you comment on reports that have circulated in recent days that sometime after the German elections, you might explore alternatives to your zero-zero option and START negotiations?

The President. No, and here you're getting dangerously into an area that can't be opened to discussion, which is the tactics of negotiating and the strategy of negotiating. If you discuss that openly, then there is no strategy, and you've tied your hands with regard to attaining anything.

Q. Mr. President, you mentioned in your opening statement the MX missile. During the campaign when you ran for office, you repeatedly ridiculed former President Carter for his failed efforts to get an MX basing plan and get the program going. How has your experience been any different than his? And how could you say that your efforts have been any more successful than his?

The President. Well, now, if you'll forgive me, my criticism mainly was, I was in great disagreement with his plan, not a failure to get it. I just did not believe—and from the counsel and advice that I sought and was able to get—I did not believe that such a plan was practical or that it would in any way result in more security for the weapons system.

Q. Mr. President, a lot of the criticism—which you referred to earlier when we talked about disarray—has centered around the fact that perhaps you've overpromised the recovery of the economy. And much of what's been written in recent days has centered on that when they talked of disarray.

And you seem to have changed your positions by being described in articles as willing to think about taxes in the out-years if they're needed to bring down the deficit. All of that has contributed to this. Do you think that's unfair?

The President. I have and will continue to say that there are still decisions to be made. We've made great progress with regard to the budget plan. I do not believe that philosophically I have changed at all. But I'm not prepared to discuss that. And we now have left this other subject, and we should get back to it. I am——

Q. I was coming back to this one, sir. [Laughter]

The President. No, I think that, again, this has been very inaccurate—things that are only options being presented and in which there has been no decision. And, as I say, I've asked for the widest range of options, and then I suddenly see them announced—as rumored that I have made decision or I have decided on this or I'm willing to go this way or not. That is where, as I say, the leaks have been very inaccurate, and I just don't think you should place so much confidence in them.

Q. Well, sir, may I follow that for a second? Since the policy on leaks was announced on Monday, the Secretary of Treasury put on record or on background virtually all of the tax measures that are being considered for the new budget. The Secretary of Defense said on television that there would be a military and civilian pay freeze. The details are open. And the Associate Attorney General revealed on the record your decision to veto the crime and one of the wilderness bills. All in all, sir, it's been a very good week for leaks and for reporters. Does this really serve any purpose?

The President. The difference is that you were able to identify every one of those people. They didn't come and appear in your newscast or in print as an "unidentified, high, White House source."

Q. But that's where the perception of you seeming to change your stand, a part of it, comes from.

The President. Well, I haven't seen the exact words of some of those statements, but I would suggest that maybe they were

trying to explain away the misstatements or the assumptions that had been made.

Q. Mr. Secretary—Mr. President, excuse me——

Q. Who?

Q. Mr. President——

The President. Gee, I thought for a minute I'd lost my job. [Laughter]

Q. In addition to the Secretaries—Secretary Regan, Secretary Weinberger, others have spoken publicly—the Joint Chiefs of Staff spoke publicly about your defense cuts and said that they would have preferred the cuts to be in weapon systems, not in pay and personnel that would actually hurt readiness. Doesn't this contribute to the appearance that you have backed down on your defense buildup and on your commitment not to hurt the readiness?

The President. No, there has been, as the Secretary admitted, that there might be some slight stretching out of our readiness preparations. But we have already achieved great gains in those. So, it isn't as if we were starting from scratch on that. But our preference was not to delay or set back the weapons buildups that we need in order to close the window of vulnerability. And at the same time, may I say, that we think with our arms control talks—we're creating a window of opportunity here.

But, no, we haven't retreated from our position on that. I, myself, would have preferred to not have to make those. We're facing reality with what we're going to present in a budget to the Congress and what we believe can meet our problems and would be acceptable to Congress.

Q. Mr. President, we've been told our time with you is limited. On social security, your chief of staff has said on the record, now you would consider moving up the payroll tax increases in social security, the ones that have already been passed and will come into effect down the road. What will you do if the Social Security Commission by tomorrow does not give you any recommendations?

The President. Well, we'll see if they're going to, if they're going to plan on a few more days before they come to such a decision. And we'll give them those few more days or whatever time this takes.

We must resolve this problem. I know that some of the dispute centers on the subject of whether increased tax revenues should be the answer to the some 30 years' imbalance of social security or whether it should be made with cutting some costs in other areas. And that's where they're in disagreement. I'm not going to make a choice on this until I see what the entire thing is that they recommend.

There have been references to this as my commission, a Presidential commission. Let me call to your attention again, that I announced that it would be bipartisan and that there were three of us that would appoint. I appointed representatives. The majority leader of the Senate appointed some. The Speaker of the House appointed some. So, it is a commission appointed by both sides and both the legislature and the executive branch.

Q. But if there's no recommendation to you, don't you have to move ahead with a plan of your own in Congress this year?

The President. Yes. Then we will have to face them once again. But, again, my aim in all of this has been to treat with this problem honestly and not return to the political furor that was created when we tried to bring this subject up more than a year ago, and when it was chosen, or some chose to make it a political football for political results, and frightened the life out of a great many senior citizens with the thought that this, upon which they are so dependent, was going to be taken away from them.

No one that I know in this government has any intention of taking away the checks that these people are getting. I've said it over and over again, but somehow it does not get as much attention as the lies that have been told by those who want to portray us as somehow out to destroy social security.

Ms. Thomas. Thank you, Mr. President.

The President. Helen, thank you very much. [Laughter] That was a pretty good note—

Q. Is Paul Nitze—

The President. What?

Q. Does he have your confidence?

The President. Who?

Q. Paul Nitze?

The President. Yes. Yes.

Q. You don't agree that your Presidency is failing, do you.

The President. No, and I looked at the record—and as a matter of fact, I got out some of your, the printings, at least some of your group's, this morning, about campaign promises that I'd made. And this was printed before I took office. And we have either succeeded in keeping them or have made an effort to keep them and still been frustrated by the majority party in the House. But we've made a solid effort to get every one of these things.

But I would like to just leave you, now—no more time for no more questions—but I just would like to get your minds back to this, because I think this is so important, that our allies should not be—from the things that they read—be concerned about whether we're lacking in determination or whether we are indeed in disarray. We're not.

Q. Mr. President, are the Russians—

Deputy Press Secretary Speakes. That's all, please. We've got to stop. That's all. When Helen says "thank you," that's it.

Q. But Helen's the one who then asked another question after she said "thank you."

Q. Why did you fire Mr. Rostow, Mr. President?

Mr. Speakes. Andrea [Andrea Mitchell, NBC News], please. When he says "thank you," that's it.

The President. It's all been explained away, and it's in here in the statement, that we're simply streamlining the management.

Q. Come back and see us soon, will you?

The President. Yes, I've enjoyed this here. I guess I can't get all of you in the Oval Office.

Q. Did we behave?

Note: The President spoke at 1:35 p.m. in the Briefing Room at the White House.

Statement on Signing a Bill on the Tricentennial Anniversary Year of German Settlement in America

January 14, 1983

I have today signed Senate Joint Resolution 260. This resolution designates the period commencing January 1, 1983, and ending December 31, 1983, as the Tricentennial Year of German Settlement in America. This welcome initiative by the Congress properly calls attention to the many valuable contributions made to our country by the millions of German immigrants over the past three centuries by commemorating the 300th anniversary of the first German settlement in America on October 6, 1683, at Germantown, Pennsylvania.

The resolution also expresses Congress strong support for an important program being administered by the United States Information Agency, the President's Youth Exchange Initiative. I strongly support this effort and thank the Congress for its role in sponsoring United States-German teenage exchange with the West German Bundestag.

The Congress has my gratitude for including in the resolution provisions establishing the Presidential Commission for the German-American Tricentennial. This unique body brings together representatives of the three branches of the Federal Government and the private sector to plan, encourage, develop, and coordinate the

commemoration of this historic event and the importance of the United States relations with the Federal Republic of Germany. I look forward to participating in its activities.

The Congress designation of the Chief Justice to serve on the Commission is especially welcome, particularly in view of his Germanic ancestry, and I commend his willingness to participate in advisory functions of it.

I am concerned, however, by some of the language of section 3(b) of S.J. Res. 260, which can be read to require me to appoint as members of the Commission—without discretion—those persons recommended by the Speaker of the House of Representatives and the President pro tempore of the Senate. Such a limitation would, of course, contravene the appointments clause of the Constitution, and I decline to read this section in such a manner. I look forward to receiving recommendations from the Speaker of the House of Representatives and the President pro tempore of the Senate and will select the required number of Commissioners from among those recommended.

Note: As enacted, S.J. Res. 260 is Public Law 97-472, approved January 14.

Appointment of Eugene V. Rostow as a Member of the President's Foreign Intelligence Advisory Board

January 14, 1983

The President today announced his intention to appoint Eugene V. Rostow to be a member of the President's Foreign Intelligence Advisory Board.

Since June 30, 1981, Mr. Rostow had been serving as Director of the United States Arms Control and Disarmament Agency. From 1976 to 1981, he was Ster-

ling professor of law and public affairs at Yale University Law School. He was visiting professor, Balliol College, Oxford University, in 1970-1971. In 1966-1969 Mr. Rostow was Under Secretary of State for Political Affairs. He was Sterling professor of law and public affairs at Yale University Law School in 1964, dean of Yale Law School in 1955-

1965, and professor of law at Yale in 1950–1954.

Mr. Rostow is currently Chairman, Executive Committee on the Present Danger. He served on the Advisory Council for the Peace Corps in 1961 and was on the Attorney General's National Committee for the Study of Anti-trust Laws in 1954–1955.

Mr. Rostow was graduated from Yale University (A.B., 1933; LL.B., 1937; A.M., 1944); Cambridge University (M.A., 1959; LL.D., 1962); Boston University (LL.D., 1976). He is married, has three children, and resides in New Haven, Conn. He was born in Brooklyn, N.Y., on August 25, 1913.

Statement by Deputy Press Secretary Speakes on the Meetings Between the President and the Secretary-General of the United Nations Javier Pérez de Cuéllar de la Guerra *January 14, 1983*

The President was gratified that the Secretary-General was able to accept his invitation to visit Washington following the two meetings they had in New York last year. During their 35 minutes together, the President and the Secretary-General held a most constructive discussion on a number of international issues.

The President reaffirmed his administration's support for the United Nations and his commitment to the principles underlying the organization, while noting that the United States differs at times with others on how best to carry forth the Charter's mandate and that greater fiscal restraint is needed in the United Nations. The President had particular praise for the Secretary-General's superb efforts in seeking a resolution of the Falklands/Malvinas conflict last year. Among other subjects discussed were the Middle East, including renewal of UNIFIL's [United Nations Interim Force in Lebanon] mandate; Afghanistan; Kampu-

chea; Latin America; and the economic difficulties of developing countries.

On behalf of the American people, the President wished the Secretary-General well and pledged our continued support as he pursues his challenging task of helping to create a more peaceful world.

Others in the meeting included the Vice President, Secretary Shultz, Ambassador Kirkpatrick, Judge [William P.] Clark, Robert McFarlane, Assistant Secretary of State for International Organizations Gregory Newell, and senior NSC staff member Michael Guhin. Under-Secretary-General for Political and General Assembly Affairs William Buffum accompanied the Secretary-General.

Following the meeting with the President, the Secretary-General attended a working lunch hosted by the Vice President at Blair House and is having subsequent meetings today with Secretary Shultz, Ambassador Brock, and Secretary Regan.

Executive Order 12401—Presidential Commission on Indian Reservation Economies *January 14, 1983*

By the authority vested in me as President of the United States of America, and in order to establish, in accordance with the provisions of the Federal Advisory Commit-

tee Act, as amended (5 U.S.C. App. I), an advisory commission to promote the development of a strong private sector on Federally recognized Indian reservations, it is

hereby ordered as follows:

Section 1. Establishment. (a) There is established a Presidential Commission on Indian Reservation Economies.

(b) The Commission shall be composed of no more than nine members, who shall be appointed by the President from among the private sector, reservation tribal governments, economic academicians, and Federal employees.

(c) The President shall designate a non-Indian representative and an Indian representative to serve as cochairmen of the Commission.

Sec. 2. Functions. (a) The Commission shall advise the President on what actions should be taken to develop a stronger private sector on Federally recognized Indian reservations, lessen tribal dependence on Federal monies and programs and reduce the Federal presence in Indian affairs. The underlying principles of this mission are the government-to-government relationship, the established Federal policy of self-determination and the Federal trust responsibility.

(b) The Commission will focus exclusively on the following items, and not on new Federal financial assistance:

(1) Defining the existing Federal legislative, regulatory, and procedural obstacles to the creation of positive economic environments on Indian reservations.

(2) Identifying and recommending changes or other remedial actions necessary to remove these obstacles.

(3) Defining the obstacles at the State, local and tribal government levels which impede both Indian and non-Indian private sector investments on reservations.

(4) Identifying actions which these levels of government could take to rectify the identified problems.

(5) Recommending ways for the private sector, both Indian and non-Indian, to participate in the development and growth of reservation economies, including capital formation.

(c) The Commission should review studies undertaken in the last decade to obtain pertinent recommendations that are directly related to its mission.

(d) The Commission shall, unless sooner extended, submit a final report to the Presi-

dent and to the Secretary of the Interior within six months after appointment of the last Commissioner, or by September 30, 1983, whichever comes earlier.

Sec. 3. Administration. (a) The heads of Executive agencies shall, to the extent permitted by law, provide the Commission with such information as may be necessary for the effective performance of its functions.

(b) Members of the Commission may receive compensation for their work on the Commission. While engaged in the work of the Commission members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service (5 U.S.C. 5701-5707).

(c) The Secretary of the Interior shall, to the extent permitted by law and subject to the availability of funds, provide the Commission with such administrative services, funds, facilities, staff and other support services as may be necessary for the effective performance of its functions.

(d) The Commission will meet approximately 15 times at the call of the chairmen. All meetings of the Commission and all agenda must have prior approval of the chairmen.

(e) In carrying out its responsibilities, the Commission is authorized to:

(1) Conduct hearings, interviews, and reviews at field sites, or wherever deemed necessary to fulfill its duties.

(2) Confer with Indian tribal government officials and members, private sector business officials and managers, and other parties dealing with matters pertaining to the Commission's mission.

Sec. 4. General Provisions. (a) Notwithstanding the provisions of any other Executive order, the responsibilities of the President under the Federal Advisory Committee Act, as amended, except that of reporting annually to the Congress, which are applicable to the advisory commission established by this Order, shall be performed by the Secretary of the Interior, in accordance with the guidelines and procedures established by the Administrator of General Services.

(b) The Commission shall terminate 60

days after it transmits its final report to the President, or on December 31, 1983, whichever come earlier.

[Filed with the Office of the Federal Register, 11:41 a.m., January 17, 1983]

RONALD REAGAN

The White House,
January 14, 1983.

Question-and-Answer Session With Television Station Representatives Participating in a Job-a-Thon

January 14, 1983

Mr. Scott. Mr. President.

The President. Yes.

Mr. Scott. Good evening, sir. This is Kevin Scott.

The President. Well, good evening.

Mr. Scott. Thank you so much for your kind endorsement at the beginning of this Job Fair.

The President. Well, believe me, I'd like to thank all the people in the businesses responsible for making this Job Fair a success. This project is a perfect example of how creative private sector actions can help Americans live better lives. All of you involved here in Washington and in Cincinnati, Kansas City, Buffalo, and Birmingham deserve great credit. Your working together to help find jobs for those men and women in your communities who need them is making all the difference.

And to those of you who are not involved, but who can find a way to provide even one job for a qualified worker, I encourage you to call this station now. You can make this Job Fair work for all of us.

Mr. Scott. Mr. President?

The President. Yes.

Mr. Scott. Thank you so much for those kind words. And, of course, that is our prayer and our hope and our goal tonight.

A big question, of course, being asked by all those on the unemployed list is: Can you, sir—can you offer any encouragement to get more people back to work soon?

The President. The last word in your question there is the question mark—the “soon.” I believe that the plan that we have in place is one that is responsible for all the good economic signs that we're seeing right

now—the coming down of inflation, all the turnups, the market, everything else. And I think that what we've been holding out for is not the kind of quick fix that we've had in the seven other recessions since World War II, artificial stimulants and creation of the money supply and so forth; we think it'll be a lasting recovery. But tragically the last thing to respond when you're having a recovery from a recession is employment. And I just—that's why I'm so interested in things like this that you're doing.

I think we are going to see a recovery. And we're going to see it in this year ahead and a greater growth in the economy. But I wish that I could say it's going to happen next week or next month, but I know it's there and I know it's coming. But I can't give you a time on it.

Mr. Scott. Mr. President, we'd like to get one question in from one of our other stations along the line. Is someone there, please?

Q. Yes, this is Buffalo—

The President. Yes.

Q. —Susan Banks in Buffalo. Again, I'd like to thank you for all of us here for participating in our program. I'd like to ask a question on behalf of our steelworkers here in western New York. We just had some massive, terrible layoffs. Can you address any words of encouragement to them?

The President. Here is one of the problems that I think has to do possibly with structural unemployment. And part of this unemployment, of course, is the recession, but also part of it is structural. And recently the industrial countries, like our own, in Europe, Japan, have found that increasing

competition from some of the lesser developed countries who have modern plants now and lower salary scale and so forth than we have, have cut into all the steel markets.

I don't know that the steel industry—there certainly will always be one. We must produce much of our own steel, or we wouldn't have any national security if we didn't. But I don't know whether all of the jobs that have been lost in the steel industry will come back. But—

Q. We appreciate that honest response, Mr. Reagan. Thank you very much.

The President. That's why we're stressing job training—to make sure that those people who might find that jobs have been permanently lost, that there's other work they can do.

Q. Mr. President, this is Cincinnati calling. Now we would also like to thank you very much for your participation this evening and giving your encouragement. This may be the very closest and direct contact that the people in our area may have with you, and we want to know if you can express in your words why small business men and women who may be watching us now should call Jobs Fair with job opportunities for people in our area. What's in it for them?

The President. Well, they're bound to benefit if there is a recovery. And a part of that recovery is going to be more people working, more people back on the payroll, thus able to buy and be consumers contributing to the tax revenues and so forth by once again being employed. And that's why I made the suggestion back just before Christmas that if every industry or business—I know that many can't, that many businesses are just in the same situation as those who are unemployed. But if businesses who can would just take a look and see if they could take on another employee, they could make quite a dent and speed the recovery just that much.

Q. Mr. President, Phil Witt in Kansas City, here at WDAF. This is the kind of private initiative you've spoken of often, Mr. President, this Job Fair idea. And thank you for your participation. But employers say they can't do this retraining and retooling and—

The President. You've faded out on me. I can't hear you.

Q. Sir, can you hear me now?

They say they can't do this retooling and rehiring alone, the employers. What help can you offer on a national scale through the Government to help do this?

The President. I've had great difficulty. You were fading in and out, and I don't think that I've gotten your question there enough to know what it was. You were asking something about, if I gathered, that something that businesses find is a problem?

Q. Yes, Mr. President. Can you hear me now, sir?

Mr. Scott. I'm sorry, Mr. President, apparently we cannot hear our station in Kansas City. We are most grateful to you for taking some time out from your busy schedule tonight to join us here, briefly, on this very important Job Fair. And we certainly are delighted to hear your words of encouragement, although we recognize it's not going to happen overnight.

And as you wish us well, we wish you well in the task that faces you in the coming year.

Q. And from Buffalo, too. And we must say goodbye and get on with it. Thank you, Mr. President.

The President. Well, listen, you get on with your show and get this done.

And let me just say this other thing, too. I'm delighted to have been asked and to participate even a little bit. And when I said that there were encouraging signs, we noted the automobile industry has improved. That was one of the big factors in the recession that started the slide, and so was the housing industry. And right now, the housing starts in America are up 66 percent over last year, and sale of new houses is up 47 percent. Now, this not only contributes to employment; but this is something that's going to stimulate the economy, because people building houses mean people are going to be buying appliances and things of that kind.

And so, I just—I know that we can be on the way. And I'm grateful to all of you for what you're doing. I think this is a wonderful thing, and I wish you all success.

Mr. Scott. President Reagan, Mr. President, thank you ever so much. And we're going to get back to the business at hand of trying to find some jobs for some of those folks out there.

The President. Okay. Good enough.

Mr. Scott. Have a good evening.
The President. Thank you.

Note: The President spoke at 8:15 p.m. from the Residence to the five Taft Broadcasting stations.

Radio Address to the Nation on the Anniversary of the Birth of Martin Luther King, Jr.

January 15, 1983

My fellow Americans:

A few hours from now in the East Room of the White House, I'll be hosting a reception honoring the memory of a man who played a truly historic role in expanding the freedom we enjoy in America.

Dr. Martin Luther King, Jr., was born into a world where bigotry and racism still held sway. Before he died, he had touched the conscience of a nation and had contributed immeasurably to the human rights of black Americans. He was a man of character and a man of courage.

Early in his life, Martin Luther King learned the meaning of discrimination. He and his father—a distinguished minister in a large Baptist church—went to a shoe store and were told that they would have to go to the back of the store. To his credit, the father took his son and walked out, vowing as he went to fight against such racism and discrimination.

As Martin Luther King grew older, following his father's example, he studied, earned a college degree, and was ordained into the ministry. Racism was still widespread in the world in those days. In this country, which served in so many ways as an example of liberty, racial discrimination remained a tragic taint. Injustice held black Americans in a vice-like grip, making it harder for them to build a better life. Black Americans were forced into separate facilities, as they were bused past nearby schools to be put into segregated and sometimes inferior schools miles away. No matter how qualified for a job, they often knew they need not apply because their skin color, rather than their skills, might determine

who filled the position. Roughly one-tenth of our people were forced to endure humiliating and degrading conditions. One such rule in one city required all blacks to sit in the back section of public buses.

But sometimes a single human act of courage can change the world. In 1955 a brave woman named Rosa Parks refused to give up her seat and move to the back of the bus. She was arrested. When the bus company refused to change the rule, a young minister in a local Baptist church, Martin Luther King, Jr., helped organize a boycott that captured the attention of the country. In 6 months, the courts had ruled the segregation of public transportation to be unconstitutional.

It was the first real test of Dr. King's nonviolent philosophy. He advocated non-violence because he believed that with hard work and good will, people's hearts can be touched and progress can be made. Yet, progress is not easy. In his book, "The Strength To Love," Dr. King wrote, "Nothing pains some people more than having to think."

Well, during the years following the bus boycott, Dr. King, with tremendous courage and resourcefulness, got a lot of Americans thinking. He was instrumental in getting passage of legislation that provided Federal protection for the crown jewel of American liberty—every American's right to vote. That legacy still lives. Last year I signed into law the longest extension of the Voting Rights Act since its passage—a measure that will protect the right to vote for many years to come.

In 1964 Dr. King was awarded the Nobel

Peace Prize—the youngest man ever to earn that high award. Through his actions, his teachings, and his deep dedication to nonviolence, he opened the eyes of his fellow citizens. Civil rights legislation was passed, but perhaps even more important, he awakened the moral sense of an entire nation. He appealed to the good that is in our people.

In 1968 Martin Luther King was brutally murdered, shot down by a cowardly assassin. He had remained true to his principles to the end, never succumbing to the hatred that had destroyed the effectiveness of lesser men. On the steps of the Lincoln Memorial, he had held a great and peaceful civil rights rally. He spoke there of a dream—his dream for an America where there would be no place for hatred. His words are now a moving part of our history.

Had he lived, the man we honor on this day would be only 54 years old. He cannot be with us. But today in Atlanta, Vice President Bush is attending a gathering honoring his 83-year-old father who did so much to start his son on the road to achievement and martyrdom.

In honoring them both, we should look to the future as well as the past. Yes, we should be proud of the progress we've made. But we also must face the fact that

15 years after Martin Luther King's death, traces of bigotry and injustice still remain.

So, let the anniversary of this courageous American's birth be for us both a time of thanksgiving and a time of renewal. Let us be grateful for the providence that sends among us men and women with the courage and vision to stand peacefully but unyieldingly for what is right. But let us also make this a time when we rededicate ourselves, young and old, black and white to carry on the work of justice and to totally reject the words and actions of hate embodied in groups like the Ku Klux Klan.

Martin Luther King, Jr., showed us how much good a single life, well led, can accomplish. His death proved how much harm a single hand, intent on evil, can inflict. Let each of us honor his memory by pledging in our own lives to do everything we can to make America a place where his dream of freedom and brotherhood will grow and flourish from sea to shining sea.

If we do this, then his sacrifice will not have been in vain, and we will have helped to make our country the special place we all know in our hearts that it was meant to be.

Thank you for listening. God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Statement on Receiving the Recommendations of the National Commission on Social Security Reform *January 15, 1983*

Speaker of the House O'Neill, Majority Leader Baker, and I have today received from the commission on social security a "Recommended Bi-Partisan Solution to the Social Security Problem" (summary attached).

This bipartisan solution would solve the social security problem defined by the Commission. It is my understanding that the Speaker and the majority leader find this bipartisan solution acceptable.

Each of us recognizes that this is a compromise solution. As such, it includes ele-

ments which each of us could not support if they were not part of a bipartisan compromise. However, in the interest of solving the social security problem promptly, equitably, and on a bipartisan basis, we have agreed to support and work for this bipartisan solution.

I look forward to the Congress beginning consideration of this package through hearings before the House Ways and Means Committee on February 1. I believe the American people will welcome this demonstration of bipartisan cooperation in offering

a solution that can keep a fundamental trust, while solving a fundamental national problem.

I wish to thank the members of the Commission, and especially Chairman Greenspan, for their tireless effort and for the

cooperative and responsible manner in which they have met a most difficult challenge.

Note: The White House press release contained a summary of the recommendations.

Executive Order 12402—National Commission on Social Security Reform

January 15, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, and specifically the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), it is hereby ordered that Section 2(b) of Executive Order No. 12335, as amended, establishing the National Commission on Social Security Reform, is hereby further amended to provide as follows:

“The Commission shall make its report to the President by January 20, 1983.”

RONALD REAGAN

The White House,
January 15, 1983.

[Filed with the Office of the Federal Register, 11:42 a.m., January 17, 1983]

Remarks on the Anniversary of the Birth of Martin Luther King, Jr.

January 15, 1983

Thank you all for being here. And let me especially thank the Harlem Boys' Choir. From what we've just heard, I think that you fellows could show the famous Vienna Boys Choir a thing or two.

But welcome, all of you, to the White House on this special day. Earlier today on my radio broadcast I spoke of Dr. King's character and contributions. Now let me speak a little more personally about the man who tumbled the wall of racism in our country. Though Dr. King and I may not have exactly had identical political philosophies, we did share a deep belief in freedom and justice under God.

Freedom is not something to be secured in any one moment of time. We must struggle to preserve it every day. And freedom is never more than one generation away from extinction.

History shows that Dr. King's approach achieved great results in a comparatively

short time, which was exactly what America needed. Let me read you part of what he wrote from a jail cell:

“When you suddenly find your tongue twisted as you seek to explain to your 6-year-old daughter why she can't go to a public amusement park that's just been advertised on television; when you take a cross-country drive and find it necessary to sleep night after night in the uncomfortable corners of your automobile because no motel will accept you; when you're humiliated day in and day out by nagging signs reading 'white' and 'colored,' then you can understand why we find it difficult to wait.”

Martin Luther King, Jr., burned with the gospel of freedom, and that flame in his heart lit the way for millions. What he accomplished—not just for black Americans, but for all Americans—he lifted a heavy burden from this country. As surely as black Americans were scarred by the yoke of slav-

ery, America was scarred by injustice. Many Americans didn't fully realize how heavy America's burden was until it was lifted. Dr. King did that for us, all of us.

Abraham Lincoln freed the black man. In many ways, Dr. King freed the white man. How did he accomplish this tremendous feat? Where others—white and black—preached hatred, he taught the principles of love and nonviolence. We can be so thankful that Dr. King raised his mighty eloquence for love and hope rather than for hostility and bitterness. He took the tension he found in our nation, a tension of injustice, and channeled it for the good of America and all her people.

Throughout my life, and especially my political life, I've spoken a great deal about the nature and spirit of America. I believe the vast majority of Americans share that spirit with Dr. King. He said, "The goal of America is freedom." He said, "The American people are infected with democratic ideals." And there he found hope. He said he believed there were great vaults of opportunity in this nation. He genuinely believed in the potential of America.

Someone has remarked, the comfort of having a friend may be taken away but not that of having had a friend. Well, America may have lost the comfort and courage of

Dr. King's presence, but we've not really lost him. Every time a black woman casts a ballot, Martin King is there. Every time a black man is hired for a good job, Dr. King is there. Every time a black child receives a sound education, Dr. King is there. Every time a black person is elected to public office, Dr. King is there. Every time black and white Americans work side by side for a better future, Dr. King is there. He's with us, and with us very much today.

Martin Luther King used to speak of his abiding faith in America and the future of mankind. He rejected what is for what ought to be, and he dedicated his life to that dream. Much of his dream has become reality, but much is still to be achieved. Dr. King's faith will continue to be a beacon of hope for us all as we continue to serve together to make America the nation that we knew it could become.

So, thank you for this very special day, for being with us as we gather here to remember a great American—a man of vision, a man of peace. Thank you, and God bless you.

Note: The President spoke at approximately 5:45 p.m. in the East Room at the White House. The Harlem Boys' Choir entertained the President and his guests prior to his remarks.

Appointment of Sylvester Emmanuel Williams IV as a Member of the National Advisory Committee on Juvenile Justice and Delinquency Prevention *January 17, 1983*

The President today announced his intention to appoint Sylvester Emmanuel Williams IV to be a member of the National Advisory Committee on Juvenile Justice and Delinquency Prevention, Department of Justice, for the remainder of the term expiring January 17, 1984. He would succeed Auristela Frias.

Mr. Williams is currently a student at Howard University in Washington, D.C. He is expected to attend Stanford University Law School, beginning in 1983. He was an intern for the Senate Committee on Banking, Housing, and Urban Affairs in 1981–1982. He was born May 24, 1961, in Chicago, Ill.

Remarks of the President and Prime Minister Yasuhiro Nakasone of Japan January 18, 1983

The President. Ladies and gentlemen of the press, a slight change in our plans, I am happy to say. It's been our pleasure to have had the opportunity to welcome Prime Minister Nakasone to the White House, to personally meet him, and to discuss a wide range of global and bilateral issues facing our two countries. These were very fruitful discussions of difficult problems of trade and defense, and we began the discussions on international issues.

But our ties and our common responsibilities are of such importance that I've invited the Prime Minister to join me tomorrow for breakfast, so that we can discuss in more detail the efforts that both of us are making to secure a more peaceful world.

So, our statements as a result of all of our discussions will be made tomorrow morning following that breakfast and before the Prime Minister's departure.

The Prime Minister. I would like to say a few words as a greeting.

I would like to express my heartfelt gratitude to the United States' President, Mr. Reagan. We are very happy to be invited here in the White House, and have made very enjoyable and very fruitful talks this morning.

And it is a great honor for me and for my family to be invited by the President's family in this White House breakfast meeting. And I would next like to make our formal statement next morning.

Thank you very much.

Note: The President spoke at 1:33 p.m. to reporters assembled at the Diplomatic Entrance of the White House.

Earlier in the day, the President and the Prime Minister met in the Oval Office and then attended a working luncheon in the Residence.

Remarks of the President and Prime Minister Yasuhiro Nakasone of Japan Following Their Meetings January 19, 1983

The President. Nancy and I have been very pleased to have as our guests Prime Minister Nakasone and his wife and daughter. These last 2 days have given us the opportunity to get to know the Prime Minister and his family and to establish the kind of warm personal relationship that is so vital to nations that are as close as the United States and Japan.

The Prime Minister's visit so soon after he assumed office underscores the significance that we both place on U.S.-Japanese relations and our role as leaders of the two industrialist giants of the free world. Our consultations were friendly and covered a wide agenda of very serious issues. And I'm pleased that we have made some imprint on the first steps in the area of trade, some-

thing of utmost significance to the economic well-being of both our peoples; to economic health of the Western World; and we're encouraged by the recent commitments to further open Japan's markets.

I'm aware of the political sensitivity in Japan to tariff reductions on a number of products, as well as to the Prime Minister's decision to conduct a comprehensive review of their standards and certification systems. Yet nothing would better prove to the American people the good intentions of our Japanese trading partners than tangible progress in revising relevant Japanese certification laws and regulations, to remove obstacles that have currently impaired some of our manufactured exports to Japan.

In the area of energy trade between our two nations, we've agreed to establish the United States-Japan Working Group on Energy, to actively explore how the abundant opportunities for energy cooperation can be transformed into realities for the benefit of both our countries.

During our wide-ranging consultations we discussed our intention for extensive and fruitful cooperation in space. I presented the Prime Minister with a plaque containing the flags of our two nations which were flown together on the first flight of the space shuttle *Columbia*. I'm pleased to announce today that I have offered Prime Minister Nakasone—and he has accepted—the opportunity for Japanese participation in our shuttle program, including an invitation for a Japanese specialist to be a part of the space lab mission in 1988. Both the Prime Minister and I look forward to continuing our efforts together in the peaceful use of the vast expanses of space.

And further, I'm encouraged after our meetings, and also by recent positive initiatives taken by the Prime Minister, the Japanese Government is now willing to do more to share in the burden of peace and stability. This is a responsibility that hangs heavy on the shoulders of all peace lovers, and the Prime Minister has assured me that Japan is committed to increasingly play their part in this crucial undertaking.

My meetings with Prime Minister Nakasone have been excellent both on a personal and a professional level, and I'm gratified at the rapport we've developed in this short time. And I'm confident it will be put to good use in the future. We've taken the first, significant steps toward resolving the urgent challenges which face our two countries. We can now move forward with our 1983 agenda, which seeks mutually acceptable answers to questions, especially in trade, that continue to weigh heavily on our relationship.

We stand as equal partners in the world, and I'm convinced no two nations are more mutually dependent than the United States and Japan. I know the Prime Minister shares this view. Our partnership is so essential, we have a strong obligation to our own peoples, to each other, to ensure its continued vitality.

And, again, we've enjoyed and appreciate this visit by the Prime Minister and look forward to welcoming him to our country again for the Williamsburg summit this spring.

The Prime Minister. Thank you very much, Mr. President.

As you may recall, Mr. President, you were the first foreign leader I greeted over the telephone when I assumed the post of Prime Minister of Japan.

Yesterday and today I had frank exchange of views with you. We discussed issues related to world peace and arms control and world economic situation and our bilateral issues. It is a great pleasure for me that our talks have been fruitful and we could reconfirm our mutual friendship and confidence. You are indeed a man of strong convictions, dedicated to peace.

Japan and the United States have the important relations of alliance, having broad economic and cultural ties of mutual reliance across the Pacific, and are dedicated to the cause of freedom and democracy. Solid cooperation between Japan and the United States is the cornerstone of peace in Asia, Pacific, and the world. We confirmed that both Japan and the United States intend to share responsibilities in the world appropriate to both countries. Frictions between our two countries can be solved by consultation between us. We are both strong democracies who can do so.

Finishing my friendly talks with President Reagan, I am going back to Japan with satisfaction and confidence. I should like to express my most sincere gratitude for the hospitality extended to myself and my family by President and Mrs. Reagan, particularly for their kindness in inviting us for a breakfast meeting this morning.

I have extended my invitation to President and Mrs. Reagan to visit Japan, and my wife and I look forward to welcome you at a time convenient to both of us.

Finally, I thank the American people of all walks of life for their kindness during my stay.

Thank you very much.

Note: The President spoke at 9:45 a.m. to reporters assembled at the South Portico of

the White House. Earlier, the President and the Prime Minister and their wives had breakfast in the Residence.

Question-and-Answer Session With Reporters During a Visit to Providence-St. Mel High School in Chicago, Illinois January 19, 1983

Q. Mr. President, why did you come back to St. Mel's?

The President. I came back to see the progress that has taken place and what has been done since some of the citizens of Chicago, led by Mr. Clem Stone, found out about this school and what it was accomplishing here and has taken an interest in it. And they're going to make it possible to expand the opportunities that are available to young people.

This is a most remarkable school, and we've talked about it often in Washington since our visit here.

Q. As long as you're answering questions, can you respond to the GNP going down?

The President. What?

Q. Can you respond to the fact that the GNP went down?

The President. Yes, and I don't think that's too much of a surprise. I understand that probably a large part of that was due to shrinking inventory.

Note: The exchange began at 2:12 p.m. as the President was leaving an exhibition of the high school's computer class.

Remarks and a Question-and-Answer Session at Providence-St. Mel High School in Chicago, Illinois January 19, 1983

The President. Thank you very much, and I thank you, Paul Adams. It certainly is a delight to be back here with everyone here again. Paul, when I left the last time, I said I'd like to have an opportunity to return and see what was happening, and the progress that might be made here at Providence-St. Mel. And I understand that the chairman of your board, Tom O'Mara, has a progress report.

Mr. O'Mara. Thank you, Mr. President. We're very honored to have you—welcome you back to Providence-St. Mel. When you came here 8 months ago, you were an interested visitor. Today you come as a good friend.

As you've seen this afternoon, much has happened since your last visit. With the help of individuals and corporations, we have acquired some new computers to help our students go into the world fully

equipped to handle the high technology needs of today. Compulsory training in computers is just one example of Providence-St. Mel's commitment to excellence. That commitment has been very rewarding. This year 100 percent of last year's graduating class went on to college.

But as you know, Mr. President, we still have a long ways to go. This school is struggling for its survival. That's why I'm proud to announce today that you have agreed to serve as honorary chairman of our new \$6½ million fundraising campaign, a campaign to take care of our pressing needs today and our future dreams. It was through your initiative that our board of governors was formed, and I am pleased that our good friend Mr. Stone has issued a \$100,000 campaign, challenge campaign grant to help us kick off this campaign.

This campaign has already received a half

a million dollars in donations and grants, and we're ready to get rolling. But we still have a roof that leaks. [Laughter] More importantly, we have students who need financial aid, which means that we need more support. We need support from individuals; we need support from corporations; we need support from people that care—that have a care about whether American education is in the future of places like this private initiative high school.

Providence-St. Mel is well known as the hard-work high school only because students here are willing to invest in their own futures. They want to learn. And with our help, they will.

Thank you, sir.

The President. Well, thank you very much.

Well, with what I've seen and heard, I certainly am impressed with what you're doing. And, again, as you acknowledged over here when I left after that one visit a year ago, I made a phone call and told Clem Stone what I had just seen and experienced here. God bless him. He was immediately involved.

Our first stop here, as you know and as you mentioned, was in the computer room. And Sister Jeanne and the students demonstrated what they're learning in that advanced computer class. And, you know, from time to time, I talk about the importance of training for people that are seeking work. And some think it just takes a magic wand. But nearly a fourth of our unemployed never had a job or are just entering the job market for the first time. Many are willing to work. But they lack the skills in a fast-changing economy that is geared, more and more, to computers. And retraining today's work force for tomorrow's world is a great challenge and a great opportunity.

Here at Providence-St. Mel, you're providing a lesson in leadership. And I understand that 44 percent of your recent graduates indicated that they intend to pursue a science-related career.

I annoy some of the people around me by, on Sundays, getting a hold of metropolitan papers and looking at the help wanted ads. And there are scads of pages of them. But it's very significant. And I've been impressed that lately they're not just ads of

employers looking for someone to come to a job, but they're, literally, ads that are begging and advertising for people in the fields of science and electronics and engineering and so forth. And it reveals that, with all of our great unemployment that we want to solve, there are jobs out there that are going unfilled simply because people haven't been trained to fill them.

But you're making—meeting that need, I should say, with this computer class, and making it mandatory for graduation. I remember back when a year of Latin was mandatory. [Laughter] I had trouble with that. I think I'd have more trouble with the computer. [Laughter] But just as schools must meet the change for the future, so must government, business, and labor work hand in hand to help in this effort.

As I mentioned, the board of governors has been established—or it has been mentioned, I should say, to spearhead a campaign, and I understand for—to \$6½ million campaign to finance scholarships, meet operating needs, and to buy needed equipment. Well, this will help Providence-St. Mel be geared up to what lies ahead. And I'm delighted that you've asked me to be the honorary national chairman of this drive and I'm honored—is the way I feel. And I was going to say here—and you did it for me—I was going to say, “I accept.” [Laughter]

But, you know, many computers are now being used in schools, and they are made available and donated by private firms. Business knows, I think, that it's in their interest to have young people who are trained for tomorrow's tasks. As a matter of fact, I'm asking businesses across the country to meet these challenges.

I've been told that the school—and you told it here again—that the school is known as the hard work high school. I'd heard that already clear back in Washington. And I've seen it proven today. It really is.

Poet Tennyson said, “I dipt into the future, as far as the human eye could see, Saw a Vision of the world, and all the wonder that would be.” Well, Providence-St. Mel has looked into the future and seen what a wonder it is. And the biggest reason that you're sitting right here is that you're

not afraid to dream, to get involved, and to care. So, let us pray that Providence-St. Mel will be a shining example to schools all across this country. The future isn't something to fear, and today's problems can be tomorrow's victories, and that working together, there isn't anything that we can't do.

So, to all of you and to all of those young people that I know are in another room hearing this, I thank you all. And God bless you all for what you're doing.

Mr. O'Mara. Thank you, Mr. President.

We'd like to discuss now as a group what this means to Providence-St. Mel. We'd like, perhaps, to have an opportunity to share—some of our students and some of our fellow board members—our comments about the future, our energies and our goals ahead. And I thought Mr. Stone might like to start at this time.

Mr. Stone. Well, Mr. President, in behalf of the millions of Americans—and not only adults but young people—who are in this great movement of self-help, since your Inaugural address, that you are the government and therefore you should learn how to help yourself and share with others. Fantastic things have happened, and specifically with Providence-St. Mel's. In addition to the computers, they are working with me on the human computer—the brain and nervous system—so as to achieve any goal whatsoever under the concepts we call the Art of Motivation With PMA.

And something more: Our allies—the United Kingdom, Republic of Ireland, West Germany, and Japan—those of us in the private sector are sharing with them your concepts that any government that spends more than it takes in—whether it's welfare or anything else—and has no way of paying it off, moves to the left, and the Communists take over. And in view of the programs that are successful here with youth organizations in the United States, they are following our concepts of uniting and learning the concepts of self-help. And Scotland—the Boys' Club which had been in business for over 50 years was insolvent. The bank was going to close in on them. And in line with the American spirit of self-help, the trustees were willing to learn, get to work. And what has actually happened—

the organization has moved ahead very swiftly in raising funds from the private sector. The same way in Wales and also in West Germany and now in Japan.

In behalf of those citizens of these countries with whom I and others have worked, in behalf of all of us in America who are following your inspiration of self-help, I want to thank you.

The President. Well, thank you.

Mr. O'Mara. Perhaps one of the students at Providence-St. Mel would like to make a comment. Volunteers?

Mr. Canty. Yes. My name is Gregory Lamarr Canty. I'm a senior here at Providence-St. Mel High School, and I plan to attend Los Angeles University of California.

I would like to make a suggestion to Mr. James T. Hadley that here at Providence-St. Mel we require more math—3 years of math and 3 years of science, since this school is college prep—so that when the student does go into a highly competitive university, such as Yale, Princeton, Harvard and so on, they won't be lost when they get into the classroom.

Mr. Hadley. My response to that—I am James Hadley, chairman of the board of trustees—we are very welcome to hear these suggestions from students. We have a committee that works on the curriculum, and I'm sure they will be glad to hear this. And they are sitting around this table today. So, I'm sure we can provide you with that wish.

Mr. Canty. Thank you.

Mr. O'Mara. Any board member would like to make a comment?

Ms. Smith. Yes. I'm so excited about the dynamic leadership that is exemplified in our principal, Paul Adams, and the really primary example of breaking the cycle of poverty that he has developed here at Providence-St. Mel that I wish, Mr. President, that we could find a way of taking it across the country. All the technical training in the world doesn't do any good if the other parts of a well-rounded education aren't taken into account. And the discipline and drive and high moral standards that Principal Adams has set up in this school are what make the total student and what is responsible, in my opinion, for

making these students such exciting examples of what our American youth can be.

The President. If there's one word in his vocabulary that's never been a part of his vocabulary—and I almost want to whisper it so he can't hear it and never learns about—"permissiveness." [Laughter]

Mr. O'Mara. Perhaps one of the young ladies who are students at Providence-St. Mel would like to make a comment.

Ms. Houser. I would like to ask a question that I would like to direct to President Reagan. How did you get interested in Providence-St. Mel High School?

The President. Because of your principal here, we heard, in Washington—heard about this school and what had happened and almost happened—that it almost was to be closed down—and then heard what one man, who surrounded himself then with others who felt as strongly as he did in the teaching line and so forth, what he was doing here, literally hanging on by his fingernails to keep this school open. And I wanted to see it and came here and visited and saw that everything I'd heard was true; met the students, had a question-and-answer session with them, and was even further impressed. And that's when I went out of here and called Clem Stone and said, "Something like this has got to be continued. Nothing must happen to this."

And I'm back here now, and you can feel it before you get in the building almost, the vibrancy of what's taking place. But, you know, you lit a candle. We saw it all the way in Washington.

Mr. O'Mara. We have time for one more comment. Bob, would you like to—

Mr. Ewing. Mr. President, I'm delighted to be here and to help in this great cause. This is a demonstration of some things that, I think, are near and dear to your heart, like private initiative, private enterprise, and creativity. And it has taken a mixture of that across the Chicago community to make this success story. And I and Banker's Life and everybody else here are very happy to be a part of that.

Could I add just one other thing that'll strike home to you? I grew up in a small town in north Missouri, and I used to listen to baseball games. [Laughter] And there was a sportscaster by the name of Reagan,

and he did such a great job that—in recreating the games—that it took all of us in our little town about 2 years before we found out he was doing it off of a ticker tape. [Laughter] I thought he was in Wrigley Field here in Chicago. Now, that's creativity.

The President. Well, thank you very much.

In those days a team didn't have its own announcer—[laughter]—and so there were six or seven of us doing the same game, and you had to kind of compete for the audience. And some of our competitors were actually at the ballpark. And I was waiting to get it off, as you say, a telegram. And then you'd do the home games of both teams. When the Cubs left town, you stayed and did the Chicago White Sox games. There was a depression on, and we did all of that.

But it was just that, you know, I'd get something that said S-1-C. And you can't sell very many Wheaties if you just excitedly yell "S-1-C." [Laughter] So, I would say, "Dean comes out of the windup. Here comes the pitch, and it's a called strike, breaking over the outside corner to a batter that likes the ball a little higher—" [laughter]—

I have a story that I've told at times—and maybe I shouldn't take the time to tell it here—but one day a fellow on the other side of the window—it wasn't a ticker tape, it actually was—he had headphones and would get the Morse code and tap it out, and a slip would come under a little slit in the window to me. And I saw him start to type, so, I started another ball on the way to the plate. And he was shaking his head. [Laughter] It was the ninth inning, and it was the Cubs and Cardinals. And I didn't know what—and when I got it, he said, "The wire's gone dead." [Laughter]

Well, with those other six or seven fellows out there broadcasting, I knew that if I said, "We will pause for a brief interlude of transcribed music until they get the wire fixed," everybody'd just switch stations, and I wouldn't have any audience left. So, I thought, there's one thing that doesn't get in the scorebook. And Billy Jurgens was at the plate, and I had him foul one off.

[*Laughter*] And I looked at Curly on the other side of the window there, and he was just—he was helpless. And so, I had Dean use the rosin bag, and then he shook off a couple of signs to take up some time. Then he threw another one.

Well, I had this—when he hit a foul ball this time behind third base, and I described the two kids that got in a fight over the baseball. [*Laughter*] And then he fouled one to the left that just missed being a home run by a foot. And about 6 minutes and 45 seconds later, I think I had set a world record for someone standing at the plate—[*laughter*]—

And suddenly Curly started typing. And then when he handed me the slip, I started to giggle, and I could hardly get it out. That wire said Jorges had popped out on the first ball pitched. [*Laughter*] But maybe I shouldn't tell that. You—people are suspicious enough of those of us in politics. [*Laughter*]

But I did hear you speak about the roof leaking. And I hope when you get it fixed—if you learn anything in fixing it that could help us with some leaks out of the White House, I'd be glad to hear how to do it. [*Laughter*]

But, again, this is such an example. And I tell you the truth; just recently, we had a Cabinet meeting—the Secretary of Education being heard—that what has been brought to the attention of the Federal Government as a nationwide problem is the lack of science and mathematics teaching in so many of our public schools that it is going to lead to a great shortage in the fields of engineering and science that we need so desperately in this new world. And to sit here and hear a student talking about that very thing and asking for courses of this kind—why did somebody think it was a problem that we should settle in the Cabinet Room in Washington? This is where it should be settled, right out here where people like you are doing this job.

Mr. Adams. Thank you. Thank you very much.

I just want to say to you, Mr. President—I want to thank you for sharing our dreams. And I'd also like to thank a lot of—there are many other people who are across this country who are sending in 10 and 15 dol-

lars per month. I'd like to thank some foundations. I would like to thank some businesses in this country for believing in Providence-St. Mel's. It has been a difficult job, but it has been the most rewarding job in my life. I wouldn't change places with anyone this day. To receive the President at Providence-St. Mel for the second time is unbelievable.

Thank you very much. And we're going to move on, Mr. President.

[*The President spoke at 2:20 p.m. at the meeting in the high school cafeteria. Following his remarks there, he and Mr. Adams went to the school auditorium, where the President spoke to the student body at 2:49 p.m.*]

The President. You can't see it, but it's a "Welcome Back to Providence-St. Mel." Thank you very much. I'm most grateful.

And I'm not going to make another speech at you, because I know that you've—I've been told that you were hearing what I was saying down there in the other room. But I can't tell you how happy I am and how excited to be back here where I was last May. Now, I know that one class has left since then and another one has come in, so most of you here were probably here then, at the same time, and we had a chance for a visit and a question—

Hey, sit down. [*Laughter*] I'm sorry. So, you see I am excited.

But what has taken place and what's going on here is an inspiration, I think, to everyone that knows about it. And what our job now is to make sure that more people in this country know about it and find out what can be done if you decide to make it be done, which is what you've decided here. And I think you will agree with me, you've been very blessed in a way that we all know about. But you've been blessed in another way, and that is having Paul Adams here as your principal.

But you just keep at it. And what you just recited here is—that's what has made this nation from the very beginning. We have a theory that was brand new that had never happened before in the world, a theory with regard to government, a theory with the right of individuals to fly as high and as

far as their own initiative and ability would take them without being penalized for it, and yet at the same time, to keep an eye out for someone that needed a hand up, because we were taught that also. And this is what you're doing here.

And, believe me, the opportunities out there are limitless for those that are learning as you are learning and who are determined to make a place for yourself in this nation and in this world. And I am so re-inspired by coming here and seeing you again and seeing the progress that you've made. And I'm going to do what I can to spread the word.

You know, being in the job I am, you get some complaints sometimes from people out in the country, and some that have to do with education and just feel that the problems are so big for them. And they want to know if the government can't think

of a way to help. Well, I think sometimes the government is the problem, not the answer. And you've done it the other way.

Maybe we should have a government program in which people who call in and want to know what they can do to solve some terrible problem in their education system is send them a roundtrip to Chicago and the address of Providence-St. Mel—and let them come here and find out. [*Laughter*]

And lest some of our friends in the media think that that's all you do is to keep your mind on the things you should, the studious things—also they're 15 and 2 in basketball this year.

Well, they tell me that I have to go; I've got some more meetings. But I can tell you that, from here on, they won't be nearly as exciting or as much fun as they've been here with you again.

God bless you all.

Remarks at a Fundraising Dinner for Senator Charles H. Percy in Chicago, Illinois *January 19, 1983*

I thank you all very much, and, Chuck, thank you for your very kind words. And reverend clergy, Governor Thompson and the Senators who are here, our Representative, you ladies and gentlemen, I see a lot of old friends around this hall tonight and, well, some new ones also. I thank you for proving once again that Thomas Wolfe was wrong, at least about this State. It is good to come home again, especially when home is Illinois.

I'm a little hard pressed here with some of the things that have already been said. I thought that I might be reduced to taking a cue from Ted Stevens when he told us the temperature in Fairbanks and I might just have to recite, "When out of the night, which was 50 below, and into the din and the glare there stumbled a miner fresh from the creeks"—[*laughter*]"all dirty and loaded for bear." [*Laughter*]

But we're here tonight to honor another Illinois native in Washington, the chairman

of the United States Senate Foreign Relations Committee—if you haven't guessed that already—a proven leader for Illinois and our country, Charles Percy.

It's quite a testimony that so many people have come from so many places around the State and, I know from seeing some of you before dinner, from around the country to be here. I appreciate the support that Chuck Percy has given me, and, of course, Chuck, there are so many other famous names here, you must feel a little like Tony Eason at the Shrine Bowl. [*Laughter*] It's an all-star performance.

And Governor Thompson is here. And I was going to inject a note of lightness at this moment and say, "Is it really true that they're referring to you as Landslide Jim?" But—well, I can't use that anymore. That's—[*laughter*]. But, seriously, the steady leadership of your Governor has meant solid progress and sure management for Illinois. And his reelection has ensured that

record of achievement will continue.

And you all know how much I rely on Jack Block, your former State director of agriculture. I borrowed him so he could do the same fine job for the rest of the country that he did for Illinois. Things are not so good down on the farm these days, but Jack is in the forefront of our battle to bring back decent prices and lasting prosperity for the American farmer. And, thanks to him, we're making real progress.

I've also relied heavily on the leadership and counsel of your congressional delegation, on that of the Senate leadership. You know that many of them are here. And suffice it to say that when things are really tough, I try to imagine what it would be like if we didn't have a majority in the Senate. Then I break into a cold sweat. [Laughter] But working together with them and with a bipartisan coalition in both Houses, we're taking bold steps to turn America to a new path, guiding our government away from the excesses of yesterday, and helping our people find the hope and opportunity that awaits us tomorrow.

And Chuck Percy is essential to that effort. He brings a strong business background to the Senate and has fought throughout his years as a public servant to make the government more efficient and business-like. The combination of his background and his leadership position has produced a Senator who is at once a major American statesman and, as you've been told already tonight, an outstanding salesman for Illinois.

For example, Chuck has met with European Community Ambassadors about the upcoming U.S. trade negotiations, and he's waged his own campaign to increase European imports of Illinois farm products. He's met with Middle East leaders about the U.S. peace initiatives, and he promotes additional sales of Illinois-made products whenever he travels abroad. And you know he played a key role in winning international approval for the Chicago World's Fair in 1992. It is no wonder that Illinois is one of the top exporting States in the country.

The challenge to change the direction of America doesn't just confront those of us in public office, however. It's a task for our entire generation. We must restore the

principles that made America great and apply them to a new era of growth and opportunity in the United States.

An essential element for growth, of course, is confidence in the future. Now, one of the most exciting moments of my term so far came just the other day when leaders of both parties finally quit kicking the biggest political football in the world around and agreed to a bipartisan, compromise solution to save our social security system. Maintenance of that system is a duty we must never shirk, though some politicians ignored it for too long. I actually, out on the mash-potato circuit and before I ever thought I'd be doing anything like this, almost 30 years ago, was calling attention to the fact that even then social security was in an actuarial imbalance and beginning to amass a liability, an unfunded liability.

Now the warnings, I think, that so many have been sounding for so many years have finally been heeded. And if the Congress adopts legislation along the lines of the compromise that was proposed, I believe all Americans can rest assured that the pensions of our elderly, both now and in the future, will be secure.

It's a workable proposal. Yes, it involves necessary compromise. But above all, it's fair. We must now seek similar answers to other problems weighing on our economy and on our people.

A high priority must be to get a hammerlock on this monster known as the Federal budget. Deficits continue to loom in the future, clouding the confidence we must have for recovery. We must not allow gaping deficits to block the economic growth that alone can bring lasting recovery.

Soon I'll be announcing some specific proposals, after I've talked it over with a few of the gentlemen who are here tonight. But tonight, let me reiterate the priorities that we must adopt as a party and as a people—because I know in this room are representatives of both our major parties, and I think that's as it should be in this country of ours. It takes all of us together.

In a nation that's so deeply rooted in morality, so blessed with wealth, our Federal spending must address the human needs of

our people. At the same time, we must always remember that the United States remains the principal hope of freedom and the foremost foe of tyranny in all the world. And if we're to continue to exist freely and at peace, we must meet our defense needs. Our budgets must be fair to all our people, and, finally, those budgets must move steadily toward the day when they're balanced. And I should add that I also have a personal dream, and that I will see the day we not only balance the budget but begin to make payments to reduce the national debt.

I've said we must solve our budget problems through bipartisan cooperation, but let me make my perspective crystal clear. I don't believe we ran up this trillion-dollar debt because government failed to tax enough. We have a trillion-dollar debt because government spent too much.

America is now coming through a painful period of adjustment and recovery. We're suffering the structural problems of an industrial society that's being transformed in many ways—one of them into more of a service and information society—as well as paying the price for years and years of big spending, big taxing, and overregulation in Washington.

Now, in the long run, economic growth will put our unemployed back to work, revive idle factories, and open new doors of opportunity. But in the short run, our people continue to hurt. So, we must take action.

Too many of our citizens are able to work, ready to work, and yet can't find jobs. The millions of unemployed now form a sea of unused minds, talents, and energy. We must not turn our backs on their pain, nor waste their mighty resource. We'll need the strength of every back and the power of every will to lift us to recovery, and we're not going to rest until every American who wants a job is able to find one.

In the short term, as you've been told, I have twice extended the unemployment benefits of workers whose insurance had run out. It's also evident that a gap is growing between the skills of the work force and the needs of business and industry. On any Sunday in any city, just turn and count the pages of help wanted ads and then look at the skills those jobs that are being adver-

tised are requiring and realize that with all of our unemployment, there is a scarcity of skills. And if we're to find work for our people, we must ensure that they have the skills required. And that's why last October I signed the Job Training Partnership Act, which will train more than 1 million of our citizens every year in skills that local business, civic and municipal and labor leaders determine are the skills needed in their particular communities. I'll soon be announcing still more initiatives in this area.

I'm confident that together, as a united party and a united people, we will face and solve our difficulties, paving the way for a promising future. Just a glance at history reveals our deepest strength: Every challenge Americans met together we've conquered. We've achieved every purpose to which we've applied our collective will. There's been no obstacle too great, no task too demanding when the American people joined their hearts and minds in a united effort.

But let us remember that our quest must be for permanent solutions, not quick fixes. We must not saddle our children with the debts of their parents. We haven't worked and sacrificed so long just to launch another round of inflationary boom and bust. We'll not settle for less than a genuine reform in Washington and a lasting prosperity for all our people. With the continued help of leaders like Chuck Percy and the others who are assembled here tonight, and with the support of you, the American people, we can shape a future of growth and opportunity for ourselves and for our children.

You know, it is—yes, spending must be curtailed, but we have to face that the recession we're in, the eighth that we've known since World War II, and these unemployed—this cannot be solved and these people put back to work just by cutting spending—and certainly not by increasing taxes on an overtaxed people. There is only one way to make this solution, and that is that every decision we make is aimed at restoring the economy and getting the wheels of industry turning again in this country. And those are the only decisions we're going to approve.

We, the members of this pivotal genera-

tion, must remember the words of a wise philosopher who once said, "However memory brings back this moment to your minds, let it be able to say to you, 'That was a great moment. It was the beginning of a new era.'"

Let us each be able to say, "I responded to the call however I could. I studied, I loved, I labored unsparingly and hopefully to be worthy of my generation."

Yes, America's been sorely tried; but if we pull together, we can draw on a deep reservoir of courage and strength. We Americans have never been quitters, and we're not about to quit now. As Franklin Roosevelt once said, "We have plowed the furrow and planted the good seed. The

hard beginning is over."

It was faith in God and in ourselves that made this country great; the greatest country on Earth, indeed. And together we'll make America great again, all of us together.

God bless you, and thank you all.

Note: The President spoke at 8:47 p.m. in the International Ballroom at the Conrad Hilton Hotel. He was introduced by Senator Percy.

Prior to his appearance at the dinner, the President attended a fundraising reception for Senator Percy at the hotel. Following the dinner, he returned to Washington, D.C.

Remarks and a Question-and-Answer Session With Reporters on the Second Anniversary of the Inauguration of the President *January 20, 1983*

The President. Good morning. Those little airplane flights did you good. You're all looking bright and chipper.

Well, as some of you may know, today marks the second anniversary of this administration. How time flies when you're having fun. *[Laughter]* A lot can happen in 2 years. Just looking around this room, I can see the signs of change everywhere. Judging from this group, I seem to have given more gray hairs than I got during the last 2 years. I guess you can chalk that up to the luck of the Irish.

At any rate, here we are at midpoint in the first term, so I thought a little personal perspective might be appropriate. Looking back, I guess my greatest satisfaction is the conviction that a country that was skidding dangerously in the wrong direction, losing the respect of friends and foes alike in the world and, even worse, losing faith in its own future, has been set on the right course. We've begun to undo the damage that the overtaking, overspending, overregulating binge of the sixties and seventies inflicted on the American way of life, and we've made America respected in the world again.

My biggest regret is that because the accumulated damages piled up so high for so long, putting America's house in order has been a tough and painful task. I remember John Kennedy saying that when he came into office, the thing that surprised him most was to find that things were just as bad as he'd been saying they were. *[Laughter]* In my case, the biggest surprise was finding out that they were even worse. And it's a real human tragedy that so many of our people today are still suffering from the political mistakes of the past that we've finally started to correct.

But now let's look ahead for a moment as we enter our third year. I see an American economy and an America on the mend. Nearly every economic indicator shows us heading into recovery. The same economists who were arguing a few months ago about how much worse the economy would get are now arguing how strong the recovery is going to be. And I think that's a step in the right direction.

We've reached a bipartisan compromise to save the social security system, and our efforts to strengthen our security and build a more peaceful world through arms reduc-

tion negotiations with the Soviet Union and through helping the peace process in the Middle East and other world troublespots are in full swing.

Right now, I'm in the process of making final budget decisions. I'm not here to leak any details. But I can tell you that our budget will be fair, realistic, and will pave the way for a strong, sustained recovery. And so I'd say for all our troubles, midterm finds this administration and this country entering a season of hope.

Now, unless someone's going to bring out a cake with two candles on it—well, first, I just want to show you, and this is going to be distributed. This is a record. All of the legitimate leaks are combined in here. [*Laughter*] It's a 2-year review, that will be distributed to all of you, of what has taken place and what has been accomplished in government in these 2 years.

And now, I think it's time for questions. But again, I'd like to suggest that if we get started on whatever the first question is, and get started on that subject, that maybe it would be a little more orderly if we said, "Well, okay; anyone with further questions on that subject?"

Gary [Gary Schuster, Detroit News]?

The Economy

Q. Mr. President, you pointed out the high points of your first 2 years. What are the low points? Does the failure economically of the budget not to grab hold, the high deficits, the high unemployment—are you taking responsibility for those as well, sir?

The President. Well, I would think some of the disappointments have been that in the give-and-take and the compromise that has to take place in the legislative process, we never did get, intact, what we thought was a well thought out economic plan. We had to give way with regard to limits on spending in many areas; we've never gotten as much as we asked for that. We did not get the tax incentive program intact and with the impact that we thought it would have on the economy. [*Inaudible*—30 percent, for example, in that one phase of the income tax, to be put in retroactively beginning in January of '81—to get only half of that installment, and get it down the line in

October, and so forth—the things of this kind.

I think something over which we had no control was the maintaining of the high interest rates for so long when they pulled down from the great money upsurge of the eighties, which perpetuated the interest rates to the point that I think they were responsible for the step off the cliff. This recession did not begin in July of '81. This recession had been coming on for several years and gradually growing worse, as we were able to talk about in the campaign.

Lou [Lou Cannon, Washington Post]?

Q. Mr. President, knowing what you do now—this is really a followup to Gary's question. Is there anything that you, yourself, as President, would have done differently in those 2 years with the knowledge of the economy that you're now experiencing?

The President. Well, I could have demanded a recount. [*Laughter*]

But, no, we tried very hard. And I think in a compromise, all in all, we did get a goodly share of what we asked. But I can't think of anyplace where we would have changed courses drastically.

The Soviet Union and Arms Negotiations

Q. Mr. President, do you wish now, in hindsight, that you hadn't started out with such a very tough rhetorical line about the Russians?

In the last 2 years, I think many observers think that you've been in a push-pull situation—one day as in London, talking about a crusade for freedom, the next day as in Bonn, talking about accommodation with the Soviet Union. And just this morning, the Soviets are saying that they will break off the arms negotiations if we go ahead with our missile deployment in Europe. Where do we stand there with the Soviets?

The President. Sam [Sam Donaldson, ABC News], let me jog your memories a bit. In that first press conference across the street, the question that was asked of me was with regard to my personal trust in the Soviet Union, did I trust and believe in the Soviet Union. And I did not render as an opinion of mine the things that I said about them.

My reply, if you want to go back and look it up, was that this is what they said of themselves, that they reserve these rights to break a promise, to change their ways, to be dishonest, and so forth, if it furthered the cause of socialism.

Now, just the other day, one among you somewhere has written and commented on that and has quoted the 10 commandments of Nikolai Lenin that he printed as the 10 principles, guiding principles of communism. And they're all there, that promises are like pie crust, made to be broken. And he went right on down the line, that the Soviet Union considered the—and I used this, I quoted this 2 years ago—he said that the Soviet Union believed that the only morality was that which furthered the cause of world socialism, that they recognize no immorality.

No, now I said I'd recognize Lesley and then I'll get—

Q. Could I have a followup on that?

The President. Yes.

Q. Because I asked that question. And the question, roughly, was, "Mr. President, do you think the Soviets really want a true détente or are they after world domination? What do you think their goal is—"

The President. I thought there was something in there about trust.

Q. And 2 years later, sir, what is your assessment now? What would you say today to that question?

The President. We're going to continue, because we believe that the Soviet Union has some problems of their own that have to be resolved. And in these negotiations that are going on, we think that it would be in their interest as well as ours. That's why we are so hopeful and optimistic that something can be gained here, that they cannot go on down the road they're going in a perpetual arms race. And so this is one of the things in connection with our own arms race. It gives us a leverage that has brought them to the table in the first place.

Now, we know that the thing they don't want, above all, is the placement of a deterrent to their SS-20 missiles in Europe. And we claim that to continue to stand there, with them having enough warheads to literally wipe out every population center in Western Europe, with no deterrent on our

side—and the NATO allies recognize this, and we have said at their request that we will provide a deterrent. But we have said it would make a lot more sense if we simply, rather than two sides facing each other there with these missiles poised at each other, if we simply went to a zero option.

Now, they've agreed halfway with that. They want us to remain at zero, and they're willing to trim a few of their warheads if we will.

Lesley [Lesley Stahl, CBS News]?

Q. I have two questions. One is, you seem to be saying that you do not trust the Russians at the negotiating table. I mean, are you saying that you—

The President. No, no. At the negotiating table, they've got to make proposals which we can then counter, and we keep on negotiating. This is a little bit like haggling over the price.

Q. But the pie crust—you're saying that they make promises that you can't believe.

The President. But, now, this is why the most important part in arms negotiations, from our side, must be verifiable. We must both agree to the right of each side to verify that the other is doing what it said.

Q. All right. My second—so there is some trust that you can build into this. Is there any flexibility in your zero-zero proposal?

The President. Lesley, the trouble is if I answer that, then I'm getting into what I said I wouldn't talk about the other day. You can't talk openly about strategy or tactics. We have said—and we stick to it—we have said that we believe the best solution for both of us is zero-zero, both sides. But we have said we will listen to and negotiate any fair proposals that are made.

Q. But this is beyond negotiating at the table. It's become a public relations, propaganda campaign that the Russians are waging in Europe. Do you not want to jump in and get in the propaganda thing and answer the Soviets to the public?

The President. Yes. The answer to that is not propaganda; it's public relations. There is no question their goal is that whatever they do, they do not want us to implement the plan of placing even one of those missiles in European soil. And we are just as

determined that we are going to stay on schedule with that.

And when I say it's public relations on our part, it requires us to remind those people that are hearing this propaganda, both here and in Europe, that what the Soviet Union is demanding is the right to maintain enough intermediate-range nuclear warheads to literally, as I say, hit every population center in Europe, but they don't want a single weapon of a deterrent nature to be there on the other side. And when the people realize that, I think the people living in those population centers are going to have something to say.

Taxation

Q. Mr. President, I know you have been trying to make taxes more equitable. Are you going to push for the flat taxes so that the taxes will be more equitable; that those in the high brackets don't have to pay for everybody else continuously, as is now the case, while some in the lower brackets are not paying their share? [*Laughter*]

The President. Thank you for framing the question that way. Most of the people out here have been commenting on that a different way, as if we are making it possible for those in the upper brackets to do better.

That is a thing that we've agreed to look at, to study, in connection with what we think is the top priority in taxes in this country—is to have a tax system that the people can understand. Our income tax has become so complicated that virtually no one can handle their own tax affairs. And in looking at that, we're going to look at that. We're looking at all kinds of other things. We've made no decisions as yet.

Helen [Helen Thomas, United Press International]?

Strategic Arms Reduction Talks

Q. Mr. President, were you confirming the reports that the Soviets had threatened to pull out of START if we deploy the missiles? And I'd like to know, if they do, what are you going to do about it?

The President. We have only heard that as a rumor. We have no report that that is an official demand of their negotiating.

I've got to get back into the room a little further here.

Tax Indexing

Q. Mr. President, question on taxes. If the Congress tries to repeal the indexation of income taxes, one of your favorite plans, will you veto such a repeal?

The President. I am determined that the two remaining tax cuts of our program will be put in place; that is, the 10 percent cut in July and then the further indexing to stop government from making a profit on inflation because when government does that, it becomes too tempting to government to do the things that create inflation.

Ms. Thomas. Thank you, Mr. President—unless you want to go on.

The President. Helen said I—I'm sorry.

Q. Oh, go on. Go on.

Q. Call on the back of the room.

Q. Let's talk.

Q. We like it. We like these.

Q. Second act.

President's Political Philosophy

Q. Mr. President, conservatives say you have gotten too much of a moderate in these 2 years.

Deputy Press Secretary Speakes. Last question. I'm sorry.

Q. Have you really gotten to be too much of a moderate?

The President. I don't know that—

Q. Mr. President, you can prolong this if you will. [*Laughter*]

The President. They tell me that we're going to do this more often, so there will be another chance. I'll tell you, the next time I promise you I'll start at the back of the room and ask the questions coming down this way instead of the other way around.

Q. Mr. President—

Q. Did you really mean—

Mr. Speakes. No, that's enough. No more, please.

The President. The question was, am I concerned about being identified as looking too much like a moderate? I have to say, you must be doing something right when you're getting rocks thrown at you from both sides. [*Laughter*]

Q. Did you really mean that the deficit is only a dream now?

Mr. Speakes. Last question. Andrea [Andrea Mitchell, NBC News], you do it

every time. I'm sorry. No more.

Q. Thank you, Mr. President.

Note: The President spoke at 11:11 a.m. in the Briefing Room at the White House.

Remarks at a Meeting With the President's Council for International Youth Exchange January 20, 1983

The President. Thank you very much. First, I want to welcome you and thank you for taking time from your busy schedules to come to Washington. These remarks are also being videotaped for the Williamsburg Conference for International Youth Exchange, so to all of you attending that conference, let me extend a welcome.

This is such a distinguished group, both here and in Williamsburg, perhaps I shouldn't tell the story of the mama mouse who was trying to teach her offspring the ways of the world and found herself one day—and her family—face to face with a great, big cat. She was a smart little mouse, though, so she started barking like a dog. And the cat, of course, turned tail and headed for where it came from. She turned to her little ones, and the mama mouse said, "Now, you see, that's the importance of a second language." [Laughter]

Aren't you fellows going to sit down? [Laughter]

Well, we do need a second language—a language of understanding. Two years ago today, I took the oath of office. And in my remarks, I said that "Peace is the highest aspiration of the American people. We will negotiate for it, sacrifice for it." I still believe deeply in those words. And the best way, the only way to that peace is through understanding among nations.

Some of you may remember what Winston Churchill said of the United States following World War II. "What other nation in history, when it became supremely powerful, has had no thought of territorial aggrandizement, no ambition but to use its resources for the good of the world." I think that was one of the finest chapters in our history, and we have every reason to be proud.

But today, almost 40 years later, there are

many in the world, especially young people, who have no personal memory of that period, who do not understand America and what she represents. They do not know that America still possesses that spirit that Churchill described. The lack of understanding is a serious problem for our future. And that's where you, the members of the President's Council for International Youth Exchange, enter the picture. You and I strongly believe in the American ideal. We must trust our system and our values enough to know that young people from other countries, if they have a chance to visit us and live among us, will come to understand the American experience.

And there's another side to this idea. While we receive guests from other countries, we will also send our own young people to experience other cultures and to carry the American values to their host countries.

To help promote the exchange, last May I proposed the International Youth Exchange Initiative, which was endorsed by the leaders of the six other countries at the Versailles Economic Summit. And I'm pleased that representatives of our Versailles partners could be here today.

I want to thank the members of the President's Inaugural Trust for the donation of a million dollars to the Youth Exchange Program. And I understand that almost another million has been—

Mr. Wick. Full million.

The President. What?

Mr. Wick. Full million now, as of this afternoon.

The President. It's 4 million?

Mr. Wick. No, a full million.

The President. A full million.

Mr. Wick. We have two—[inaudible].

The President. Yes, all right. [Laughter] Sold to the gentleman in the corner chair. [Laughter]

And I understand that another million has been pledged by Equitable Life, Atlantic Richfield, NVF, Phillips Industries, Time, Westinghouse, and Archer-Daniels-Midland. Now, how much does that make it?

Mr. Wick. That's the million.

The President. That's the million. Well—[laughter]—

Mr. Wick. [Inaudible]—recycling. [Laughter]

The President. Well, I'm confident that these are the first of many donations from the private sector to reach our goal of \$10 million over the next 3 years.

The Council's work underscores our strong belief in the private sector's role in building the bridges of understanding. Understanding cannot be measured, but our reward will come from those first awkward introductions when a young person meets his or her host family and just months later, when those teary-eyed goodbys as friends part company. So, I thank you all for being part of this transformation of nations into individuals.

And just within the last few days, if I could add, a little experience that I was not present to see but that others of our administration were, while we'd been entertaining Prime Minister Nakasone of Japan. And at a dinner just recently—he and his wife and lovely daughter—he, in a toast, revealed that his daughter had been in such an exchange to the United States. And before he finished telling about what this experience had meant, his daughter was in

tears, and he was crying. And he also related, the young man who had been the exchange, or the family, and that he had seen them and that they, too, had shed tears on their happy memories of having their daughter in this country. And they felt the same way about the young man that had been in their home on the exchange. And it was—I just thought it was very convenient that this little experience had happened right now while we're meeting here.

But again, I thank you all very much. And what this exchange does is carries out something I've long believed—the world will be all right if we all start talking to each other instead of about each other.

Thank you very much.

Note: The President spoke at 1:30 p.m. in the East Room at the White House. The meeting was held to commemorate the donation of \$1 million from the President's Inaugural Trust Fund to the Council. The sum represented most of the revenues donated by private contributors in excess of the costs of the President's 1981 Inaugural.

The President's Council for International Youth Exchange, composed of approximately 100 U.S. business and educational leaders, was established to help further the initiative announced by the President in May 1982. The Council works with the United States Information Agency (USIA) and a group of private exchange organizations on the initiative.

Charles Z. Wick, Director of USIA, is the President's personal representative for the effort and a trustee of the President's Inaugural Trust Fund.

Remarks to the Reagan Administration Executive Forum January 20, 1983

Well, I've just had one quick, easy lesson in how to be an anticlimax. [Laughter] What a reception to get the new year off to a great start. If you don't mind my saying, we may face large deficits, but with your surplus of brains, talent, and enthusiasm, we're going to do just fine in 1983.

And speaking of talent, what about this magnificent group of musicians who have been performing here today—those who left and those who will stay with us. You know, I just know John Philip Sousa must have been a Republican. [Laughter] And rumor has it that there might even be a

Republican or two in the hall today. [Laughter]

To all of you loyal members of our team, please let me express my deepest appreciation for what you're doing. Sometimes when I think of how much you do and how little recognition you get, I find myself reminded of a story about Orville and Wilbur Wright and this getting recognition.

They had tried repeatedly, as we all know, to get off the ground with their new flying contraption. They had one disappointment after another. And then finally, on one December day, there on and above the sands of Kitty Hawk, Orville did what no man had ever done before. It had to be the greatest news scoop in history. And I think that sometimes many of us have done things that we think were pretty good news scoops, and this story fits.

They wired their sister Katherine, "We have actually flown 120 feet. We'll be home for Christmas." And she received the wire of that news and ran all the way to the local newspaper office, handed the wire to the city editor of her local paper. He looked at the wire and said, "Well, isn't it nice? They're going to be home for Christmas." [Laughter]

There's no way that I could list all your names and cite all your accomplishments, but I want you to know how proud I am, because we are making a new beginning. Problems that had been building for years are now being addressed and they will be solved.

So, while I'm at it, I wonder if I might ask Drew Lewis and Dick Schweiker to stand so we can salute them for the dedication and excellence with which they served their country. And we're fortunate to replace Drew and Dick with two individuals of great experience and skill—Elizabeth Dole and Margaret Heckler. You, too, can stand.

Well, we're going to miss Drew and Dick, and yet the pain, as you can see, is being eased. [Laughter] On behalf of everyone here, though, to the newcomers, welcome to the family, and let me warn you—the two of you—this'll be the last time you'll get part of a day off. [Laughter]

You know, I've been a little surprised to read that, with Elizabeth Dole and Marga-

ret Heckler coming on board, we now have two women on our Cabinet. Well, that's not quite accurate. We have three. Mrs. Jeane Kirkpatrick is not only a member of the Cabinet, she's without doubt one of the finest Ambassadors to the United Nations this country's ever had. Through her words and actions, she's made one message plain to every member of the U.N.: The defense of American interests is tantamount to the defense of national independence, liberal democracy, and human rights throughout the world, and our defense of these principles must be considered a moral imperative.

Let us all remember, ideas do matter. We didn't come to Washington to be caretakers of power. We weren't elected to become managers of the decline or just to see if we couldn't run the same old shop and maybe do it a little more efficiently. We were sent here to move America forward again by putting people back in charge of their own country, to promote growth by placing limits on the size and power of government, to give individuals the opportunities to reach for their dreams, to strengthen institutions of family, school, church, and community, to make the United States a stronger leader for peace, freedom, and progress abroad, and, through it all, to renew our faith in the God who has blessed our land.

Is this really some radical, new, untested doctrine that we brought here? Forgive me, but those ideas and values are the heart and soul of what makes America a powerful force for good and the hope of all mankind. This is America's birthright, and we shall never betray it.

You know, not too many years ago, a Prime Minister of Australia, Prime Minister Gorton, spoke about our country. He said he wondered if the smaller nations of the world had ever thought what their situation might be if there were not this great nation—ours—in the world, so generous, so willing to help out wherever needed.

Yes, we face some awesome problems, but don't believe for one second the drum-beaters of gloom who see only storm clouds on the horizon. There's a new confidence building across America. And it's well justi-

fied. Reducing the rate of inflation by nearly two-thirds has increased Americans' real earning powers for the first time since 1978, and that's progress. Reducing interest rates from the record levels we inherited—the prime had reached its highest peak in more than 100 years—means new hope for housing, autos, entrepreneurs, consumers, and jobseekers everywhere. And that's progress.

Reducing the Federal income tax for a family of four earning \$25,000 by \$550 this year and nearly \$700 next year, and then indexing their tax rates, sends a new message to Americans: "It's your money, you earned it, and together we'll stop the big spenders from grabbing more and more of it away." And, believe me, that's progress, too.

And by facing up to a difficult problem in a responsible way, rather than simply coping out with demagoguery and scare tactics, we will ensure that the lifeline of social security remains strong for every one of our senior citizens. And that's a great step forward for America.

You know, all this thing that's been going on in this furor about social security—every time I got in the elevator and went upstairs tonight, living over the store as we do—[laughter]—Nancy would say, "But I've heard you talking about social security and it being out of balance for almost 30 years, and isn't it time?" Well, the time has come, and something is being done.

I almost forgot something else you and I can feel mighty good about. Americans will spend 300 million fewer hours on government paperwork this year than they were doing when we took office. That bureaucratic monster who would slay private enterprise is learning a new command, and it's called "Heel." [Laughter]

The pieces of the puzzle are falling in place. Bringing down inflation, interest rates, and tax rates gives our families new faith to save and invest. It's not just some coincidence that we've seen a record-breaking surge in our equity markets. That's a powerful vote of confidence in America's future. It means more capital to modernize plants and to finance sunrise industries that bring new technological leadership and more jobs.

Our great challenge and our great opportunity is to prepare today's work force for tomorrow's world. This is a challenge in which government, business, labor, and our universities should all be partners. We have too many people willing to work but unable to match their skills with the needs of our changing economy. The Washington Post recently carried a report about a consumer electronics show in which a thousand manufacturers were gathered to exhibit their products. This is an area of the economy where business is booming, American ingenuity is unmatched. And one of their representatives said, "We're doing great. Our companies are looking for workers." So, let's roll up our sleeves and get the people looking for work trained so they can step into the jobs that are available.

There's an exciting world developing out there: computers, new technologies that can stretch our minds and carry us toward new horizons of growth and fulfillment. All we need is to believe in ourselves, to remember that we're Americans, and in this country we make the future work for us.

I think there's another very good reason why Americans are feeling better about their future. We're reversing the dangerous decline of this nation's defenses, and we're strengthening America's ability to protect the peace. Too many people have already forgotten the dismal state of readiness we inherited 2 years ago—shortage of manpower, faulty equipment, lack of spare parts, insufficient fuel and ammunition for proper training. We were in trouble. In 1980 our military reenlistment rate was only 55 percent. I'm proud to say that in 1982 it has reached 68 percent, the highest level since almost 20 years ago, 1964.

The quality of recruits, their training, and our overall readiness are all being upgraded. We're restoring dignity, honor, and pride to the uniform of the United States. And, by strengthening our Armed Forces, we increase our ability to reach an agreement with the Soviet Union that will not just limit strategic weapons but actually reduce them.

I think it's time for those who sincerely desire peace to refrain from propaganda and to join us in a genuine disarmament.

The people of the world share no greater yearning than to be free and to be free of fear. I deeply believe in the moral power of Western civilization and in America's enduring commitment as a leader in search for a true, just, and lasting peace.

As we begin our third year together, let me thank you all again and encourage you for the days ahead. Don't be swayed by Washington's whining voices and crying-towels. I know it's true that sometimes you don't get a fair shake, but if you get discouraged, I want you to remember some words a poet I've always admired once penned. His name was Robert Service, and he wrote:

"... You've had a raw deal! I know—but
don't squeal,

Buck up, do your damndest, and fight.
It's the plugging away that will win you

the day,

So don't be a piker old pard!

Just draw on your grit; it's so easy to quit:
It's the keeping-your-chin-up that's hard."

And, for an encore, I could do "The Shooting of Dan McGrew," but I don't think it would be appropriate. [Laughter]

So remember, with those words of Mr. Service, we inherited a mess, and we didn't run away from it. And now we're turning it around. Together, we'll build a far better future for America—a future of growth, opportunity, and security, anchored by the values of a people who are confident, compassionate, and whose heart is good.

So, keep your chin up. We're on our way. And thank you all, and God bless you.

Note: The President spoke at 2:36 p.m. to the Presidential appointees gathered in Constitution Hall.

Proclamation 5014—Tricentennial Anniversary Year of German Settlement in America

January 20, 1983

*By the President of the United States
of America*

A Proclamation

On October 6, 1683, a group of thirteen Mennonite families, coming from the city of Krefeld, now in the Federal Republic of Germany, founded Germantown, Pennsylvania, today a suburb of Philadelphia. Since then, more than seven million German immigrants have entered the United States and made extraordinary human, economic, political, social, and cultural contributions to the growth and success of our great country.

Today there are more than sixty million Americans of German descent, a number about equal to the total population of the Federal Republic of Germany. More Americans claim German ancestry than any other nationality.

During my address to the Bundestag in Bonn in June of last year, I spoke of the importance which the United States at-

taches to the Tricentennial year of 1983 commemorating German settlement in America. Despite the legacy of two world wars which found us on opposing sides, West Germany and the United States have forged an exceptionally close relationship during the past three decades. The success of the Marshall Plan, the Berlin Airlift, and the ensuing NATO partnership have led to a recognition of our common democratic ideals and joint interest in Western economic and political strength.

Throughout 1983 there will be numerous activities and observances to celebrate the Tricentennial. President Karl Carstens has accepted my invitation to attend the culminating event in Philadelphia next October.

The Congress, by Senate Joint Resolution 260, has designated 1983 as the "Tricentennial Anniversary Year of German Settlement in America" and has authorized and requested the President to issue a Proclamation in observance of that year. By the same Resolution, the Congress established

the Presidential Commission for the German-American Tricentennial to plan, encourage, develop, and coordinate the commemoration of this historic event.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the year commencing on January 1, 1983, as the Tricentennial Anniversary Year of German Settlement in America, and urge all Americans to observe the year with appropriate ceremonies and

activities.

In Witness Whereof, I have hereunto set my hand this 20th day of Jan., in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:36 a.m., January 21, 1983]

Proclamation 5015—Red Cross Month, 1983 *January 20, 1983*

*By the President of the United States
of America*

A Proclamation

American Red Cross volunteers are among the millions of citizens who quietly serve their fellow man. Since the first settlement on our shores, a volunteer spirit has characterized the American way. This spirit has been reflected in the actions of the neighbor who is always ready to lend a hand.

The services performed by the Red Cross provide us with benefits that would otherwise cost billions of dollars. Last year, it was the volunteer who—giving freely of his or her time, energy, and talent—made it possible for the Red Cross to collect and provide the ill and injured with nearly six million units of blood. Volunteers established shelters to feed and attend to disaster victims, conducted thousands of courses to improve the quality of life by teaching nutrition, first aid, water safety, home nursing, and preparation for parenthood. The volunteer reached out to our young people, to members of the military, to veterans, and to the

elderly and through personal contact eased their loneliness and fears.

For 102 years, the American Red Cross has been an essential ingredient of American life, helping us to learn, to grow, and to prosper. In accordance with this year's theme: "The Red Cross. We'll Help. Will You?" I urge all Americans to donate their time and financial resources in support of Red Cross activities. By giving of ourselves, we give the greatest gift one human being can give another—the gift of love.

Now, Therefore, I, Ronald Reagan, President of the United States of America and Honorary Chairman of the American National Red Cross, do hereby designate March 1983 as Red Cross Month.

In Witness Whereof, I have hereunto set my hand this 20th day of Jan., in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:37 a.m., January 21, 1983]

Proclamation 5016—National Consumers' Week, 1983 January 20, 1983

*By the President of the United States
of America*

A Proclamation

A major function of our competitive free enterprise economy is to satisfy consumer demand. The effective demand of consumers is what keeps producers in the business of supplying goods and services and is vital to keeping the wheels of industry turning. Therefore, it is most important that we fully recognize the crucial role consumers play in our economy.

Everyone is a consumer, but too often this role is the most neglected in terms of preparation and training. In our complex market economy major decisions have to be made about living within our means; protecting our futures through insurance, pension plans, and investments; choosing goods and services from our global marketplace; and voting on issues directly affecting our public and private consumption. Because consumer and economic education can contribute immeasurably to our competence as consumers and citizens, it should be started in the schools at the earliest possible time.

Consumers should have access to a wide assortment of competitively priced goods and services produced here and abroad; accurate information on product content and care, on contractual agreements, on the cost of credit—essentially whatever facts are needed to make an informed choice. But of greatest importance to consumers and private enterprise is protection against the marketing of goods that are hazardous to health or life, a fair hearing of complaints with appropriate remedies where justified, and dutiful consideration of consumer con-

cerns at all levels of government.

It is clear that the greatest fairness for consumers can be achieved through the active cooperation of business, government, and consumers themselves working to insure equity, increased competition, and safety in our free market economy.

Because an effective and efficient system of commerce depends on an informed and educated public, I urge schools, public and private agencies, and all appropriate public-spirited groups to advance consumer competence by helping provide the necessary consumer and economic information for all our citizens to make well thought-out choices in the marketplace. While the responsibility for consumer education rests primarily with the individual, the communications media and other interested organizations and institutions play an instrumental part in furthering the understanding of American consumers. I urge consumers to avail themselves of this valuable information and to wisely select the goods and services they seek.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning April 24, 1983 as National Consumers' Week.

In Witness Whereof, I have hereunto set my hand this 20th day of Jan., in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:38 a.m., January 21, 1983]

Appointment of Two Members of the Advisory Committee on Small and Minority Business Ownership January 20, 1983

The President today announced his intention to appoint the following individuals to

be members of the Advisory Committee on Small and Minority Business Ownership:

Lanny Fletcher Wiles is president of Northeastern Florida Foods, Inc., in Jacksonville, Fla. He is also a consultant for special events to Coca Cola of North America in Atlanta, Ga. He was a staff assistant to the President in 1981–1982. He is married and resides in Ponte Vedra, Fla. He was born January 11, 1943. He will succeed William Jackson Greer.

George K. Conant is chairman and owner of Rubelmann-Lucas, Inc., in St. Louis, Mo. He was president of Sligo, Inc., a distributor of steel and industrial supplies, in 1958–1974. He is married, has four children, and resides in St. Louis, Mo. He was born May 21, 1922. He will succeed R. Miller Hicks.

Statement on Arms Control and Reduction *January 21, 1983*

This morning I met with our chief negotiators for the strategic and intermediate nuclear arms control negotiations we are engaged in with the Soviet Union—Ambassadors Ed Rowny and Paul Nitze. Vice President Bush, Secretaries Shultz and Weinberger, ACDA [U.S. Arms Control and Disarmament Agency] Director-designee Ken Adelman, and my national security adviser, Bill Clark, also joined the discussion.

Since our negotiators will soon return to Geneva for the next round of the negotiations, and since the Vice President leaves for Europe to review these and other arms control and security matters with our allies, today's meeting gave us an opportunity to review the status of the negotiations and to reaffirm our serious purpose for the coming round.

Our proposals for massive reductions in

strategic arsenals and for the elimination of an entire class of nuclear missiles in the intermediate nuclear forces deserve the support of all who seek genuine arms reductions. The coming round of the negotiations is particularly important, because our far-reaching proposals combined with our defense modernization programs provide a strong incentive for reaching agreements on lower levels of forces on an equitable and verifiable basis.

I am determined to explore every possibility for equitable agreements to reduce the arsenals and the risks of war and to strengthen the foundation for peace. And I have so instructed our negotiators. Our entire arms control team supports this vital goal. We have no higher priority, and we will spare no effort where the peace and security of our nation and of the world are concerned.

Appointment of James K. Coyne as Special Assistant to the President and Director of the Office of Private Sector Initiatives *January 21, 1983*

The President today announced his intention to appoint James K. Coyne as Special Assistant to the President and Director of the Office of Private Sector Initiatives.

Mr. Coyne served in the United States Congress, representing the 8th District of Pennsylvania, in 1980–1982. He was president of the Coyne Chemical Co. in Philadel-

phia in 1971–1980 and founded Energy Management Services, Inc., where he served as chairman in 1977–1978. Mr. Coyne served on the faculty of the Wharton Business School of the University of Pennsylvania in 1974–1978.

Mr. Coyne graduated from Yale University (B.S., 1968) and Harvard Business School

(M.B.A., 1970). He is married, has three children, and resides in Washington's Cross-

ing, Pa. He was born November 17, 1946, in Farmville, Va.

Question-and-Answer Session With High School Students on Domestic and Foreign Policy Issues

January 21, 1983

The President. Well, ladies and gentlemen, this is a question-and-answer period with high school students that are here from all over our country. I have just met them, and I have no idea what the questions are going to be asked. But I understand that one student has been designated as to lead off with the first question. Now, which student—yes, all right.

MX Missile

Q. Mr. President, my name is David Dean, from Northbrook High School in Houston, Texas. My question is, in reference to the MX missile, what kind of progress is your commission making towards recommendation for deployment? And, also, what kind of plans does the White House have for turning the Congress viewpoint around on the funding issue?

The President. Well, the funding issue on the deployment of the MX was based on the deployment system. In other words, there was no vote against the MX as such. It was withholding the funding for production until we come up with a solution to deployment that is agreeable to all.

Now, there've been many systems that have been proposed, and we certainly have looked at all of them. The original one that was proposed by President Carter consisted of double the number of missiles that we're asking for. But they were to be placed—there were to be 200 missiles and some 4,000 silos all connected by an underground tunnel in which the missiles could constantly be moving and—so that the enemy would not know exactly which of the 4,000 tunnels to hit with their weapons if they ever tried.

Well, we disapproved of that one—first of all, the tremendous undertaking and the amount of land that would be taken up and

so forth from the environmental standpoint alone. But, also, the answer was that the enemy would simply only have to target and build just more warheads and hit everything. And while that would take a little time for them to get them together, it still left the missile vulnerable.

When we finally centered on what was called the dense pack, it was because of a scientific theory that was proposed to us by eminent scientists, that by putting them—concentrating them, the enemy would then, if they attempted in a first strike to eliminate our missiles, would have to funnel their missiles in to such a narrow target that the first one that went off would then create an atomic cloud which would render harmless, detonate before they were supposed to any other missiles coming in, which would leave us with a second-strike capability, which we think is the necessary deterrent.

Remember, the prayer is that we never have to use those. The idea is that the only defense you have is a deterrent, that you can say to the other fellow with some conviction, "If you do that, you're going to have a lot of trouble, yourself."

And so, the goal is to find a system. And we appointed a commission now, consisting of some men who were Secretaries of Defense and so forth before, so that when we go back to the Congress, they can testify that they, too, have looked at and they've explored every possible system there can be.

Now, just—[laughter]. Wow! [Laughter]

National Goals

Q. Mr. President, my name is Marla Poor. I'm from Union, Missouri, Union High School. It has been stated that the most important goals of the government are

peace, security, and development. Which of these do you feel is the most important and why?

The President. Peace, security, and development. Actually, they all go together, and they all contribute to the same end. Peace, of course, is a goal for all of us. But one thing we must never let any potential adversary believe is that we would buy peace at any price, because then you are open to a kind of blackmail that they could put on us. And security, of course, is the primary responsibility of the Federal Government, to protect the freedom, the security, the lives of our people.

Development, of course—it won't do much good to be able to protect ourselves if we've allowed our economy to collapse at home and there aren't jobs for our people and so forth.

So, they all, I think, are part of the same package. They go together.

Now, I'm going to kind of go from front to back. There's a young lady right—you with your hand up. No, you're pointing to yourself, yes. Yes. [*Laughter*]

Martin Luther King, Jr.

Q. Mr. President, my name is Donna Frazier. I'm from Atlanta, Georgia. I go to Job Corps. I have a question for the Atlantans. Do you oppose the support making Martin Luther King's birthday a national holiday? If so, why? If not, why not?

The President. I understand the request for that. On the other hand, I wonder if there isn't a degree of difference. I could see making this a day to remember, a day dedicated to brotherhood and so forth. But to make it a national holiday in the sense of businesses closing down and government closing down and everyone not working—I'd like to call your attention that we only really have a couple of those. George Washington—not even Abraham Lincoln is that kind of a national holiday. There are some States that have made it that way.

And I wonder about other people who've made great contributions—as a matter of fact, George Washington Carver for one, but other great individuals like Jefferson.

But I would support making it a day that is designated and that there is a proclamation, let us say, each year by a President, as

there is for Thanksgiving, that this is a day which we recognize the birthday of this man who contributed so much. And, having lived as long as I have, I remember a different America. And he did contribute. But I would question creating another national holiday type of thing, because, as I say, then we open a door. Where do we stop? So far, we've stopped with the first President of the United States, George Washington.

And so, that's the way I feel about it. I think there must be a way in which we can do honor to him, remembering that and specifying that day, but without actually, legally making it a national holiday.

There's a young man right here, halfway.

Latin America

Q. Steve Sulton, from Lamar Consolidated High School, Rosenberg, Texas. Mr. President, United States relations with Latin American nations have been shaky at best in the past few years. Many people view America's position in El Salvador as being harmful to the entire Latin American relations between the United States and those nations. First of all, of what importance is America's position in El Salvador in relation to the rest of Latin America? And, perhaps more importantly, is self-determination a viable option for the eighties?

The President. Yes, self-determination is a viable option for the eighties. The El Salvador situation has been distorted by a worldwide propaganda campaign, and I believe this stems from the Soviet Union by way of Cuba. It is a foothold they're attempting to establish here in the Western Hemisphere, on the mainland of North-South-Central America, of a Communist state, similar to Cuba.

We are aiding in the sense of having military advisers to help their military or bring it up to the standard that is needed. But the guerrilla bands that are staging the revolution are funded, supported by, and armed by the Communist forces in the world. Many of the weapons that are brought in by way of Nicaragua, which has become that same kind of foothold, are American weapons that we abandoned in Vietnam.

Now, I believe that all of the Americas have a stake in seeing that we do not allow

that kind of a bridgehead to be established here. And on my recent trip to Latin America, I found great support for the fact that we must keep Cuba from being, as it is, the puppet of the Soviet Union and establishing that bridgehead here in our country.

Also on my trip, I found there was great agreement with the other Latin American countries that we all should be closer together than we have been. Here are these two continents, some 600 million people in all from the North to South Pole, all worshipping the same God. While we may speak different languages, we all have the same pioneer heritage. We came here from other countries in search of freedom.

Basically, we are, almost all of us, committed to democracy. But they have never, for the most part, developed in the same sense that we have, and we need to be of help to them in creating for their people the same kind of opportunities that we have here. But what a force for good we could be in the entire world, this hemisphere, if these 600 million people, with all the resources that these continents are capable of, what we could do for the world is remarkable.

But let me just finish one thing also on El Salvador. The propaganda was having more of an effect before El Salvador had its election. And we sent a team of Congressmen and Senators down—and Congresswomen and Senators, down to El Salvador to witness that election. They came back and reported to me—and they were of both parties. They said this put the lie to the fact that the people of El Salvador might be in some way supportive of the guerrillas, of the revolution.

They talked to a woman who stood in that line who had been wounded because the guerrillas said—went around and said to the people that had to travel miles to vote, said, “We’ll kill you if you do.” And they did try. They sniped. They destroyed the buses, you know, and the trucks so that people had to walk these miles. And this woman refused to leave the line—waiting for her turn to vote—and get medical treatment until she had voted.

Then there was another woman, a grandmother, and she had walked miles. And she said to them—they had told her, they said,

“We will kill you and kill your family and friends”—and she said, “I told them, ‘You can’t kill us all.’” And she stayed and voted. And I think that was the answer, that the people of El Salvador want an orderly government. They want an end to this fighting.

Now, if the guerrillas will come to the point—and this was offered before the election, and they refused it—if they would come to the point where they would lay down their arms in a promise of amnesty and come in and say, “Okay. We want to participate peacefully. We’re willing to submit ourselves to a vote, an election and so forth, like a political party.” That would be a good end to the fighting. But other than that, El Salvador has to keep on defending itself.

All right. Now down front here again, Yes? Trying to go boy-girl, boy-girl.

National Defense; Agricultural Exports

Q. Mr. President, I’m Myranda from D.L.C., Downtown Learning Center, of Atlanta, Georgia. And my question is, is it true that you’re more concerned with military forces rather than the problems of the, say, middle class, unfortunate, the poor and their welfare beings?

The President. No. Am I more concerned with the military and the military forces than with those people you’re talking about—the people who must have government help, the truly needy, the middle class, who are the ones who are carrying the burden of this country and always have, taxwise and every other way.

No, what we’re doing with our present buildup of military is overcoming several years in which we virtually, unilaterally disarmed. We let our arms go. We canceled things like the B-1 bomber and so forth while the Soviet Union has been engaged in the biggest military buildup in the history of man. They outnumber us in virtually every kind of weapon. And, as I say, the prime responsibility of government is the security of the people.

Now, we have three teams negotiating for disarmament with the Soviet Union in Geneva, Switzerland—one trying to get rid of the intermediate-range nuclear missiles that are based in Europe on the NATO line

and targeted in on all the urban centers and everything of Europe. And there's nothing to counter that. That is one set of negotiations.

The second one is for all the strategic weapons, the great missiles that they've got aimed at us, as we have missiles aimed at them. They outnumber us, and they've got bigger and newer ones than we have, but we want those reduced. And we've proposed to them a great reduction.

And then, in conventional weapons, because they have built up the biggest blue-ocean navy in the world, where once we thought we had such a thing, and we don't. We have gone from a thousand ships back down to around 400. And we're not going back up to a thousand, but we're going to have to strengthen that Navy.

But the reason is, back of it all, if we ever hope to get disarmament, we will only get it by indicating to them that if they're going to keep on with that buildup, they're going to have to be able to match us, because we're going to build up.

There was a cartoon that explained it all. Brezhnev, before he died, was supposed to be talking to a Russian general. And he said to the general, "I liked the arms race better when we were the only ones in it." [*Laughter*]

So, this is what we're doing. We want peace. But there've been four wars in my lifetime. None of them ever started because America was too strong. Two of the big ones really started because they thought we wouldn't fight, that we were too weak. And this is what we want, so that we can live in peace, so that we can tend to the things that give people greater opportunity here in our country.

But the other significant thing I'll end with is this—on this question I'll end—is that traditionally, and in the years of Eisenhower and of John F. Kennedy, back in there, the defense budget was just about a half of our total national budget. Our budget is only 29 percent for defense, and the rest is for the programs to help the needy, to provide medical care for the elderly and the poor and so forth. That is the biggest part of our budget.

So, I don't think we're overdoing the defense buildup.

Q. Well, the second part of my question was, the agriculture products that we're making, we're sending them overseas, and we're not providing the people that stay here. You know, we still have a lot of poor people that are starving, but yet we sell our products to another country, because we can't afford to sell them here. Nobody will buy them, because they're too high. We can't make a profit.

The President. Well, it is true that we export to other countries, because the American farmer is probably the greatest producer in the world. The American farmer can produce enough food—where once he just produced enough to feed his own family, 3 or 4 people, he produces enough food now for 58 people besides himself. We actually do produce more food than can be consumed in the United States.

The fact of people not having as much as they should—and, incidentally, we're trying with many programs to rectify that and have for years before I ever came here—the problem is one of distribution, not a lack of food. It isn't that we lack the food. This is why I have proposed for the farmers and for our people—the Government, in an effort to help the farmer whose prices have gone way down—and it costs now sometimes more to produce the grain than he gets back—the Government then buys the surplus from him and puts it in warehouses. And, as you know, we're distributing dairy products and cheese and so forth that are in those warehouses. But we have been thinking, in order to keep the farmer from—or help him, to pay him to not plant all his land—and there'll still be plenty of food—in order to help him at least make enough money to break even. And I have proposed that, instead, we take this surplus that is stored up, just sitting there, and if he'll take some land out, give him that crop to sell—give him grain back that he can sell as if he'd raised it, but what is sitting there in the—instead of giving him cash. And we're going to see if that'll work.

Q. Thank you.

The President. You bet. Now I've got to go back a ways here again and—yes.

Less Developed Countries

Q. Yes, sir, Mr. President. My name is Carl Artman, from St. Louis Priory School in St. Louis, Missouri. Although this theory is anti-Smithian and therefore somewhat anti-supply side, do you think it would be feasible to help the lesser developed countries of our world by adopting them as mercantilist colonies? And by doing this, we would get something; they would get something; and the U.S.S.R. would have the door slammed in their face.

The President. You mean the underdeveloped nations that we've—

Q. Yes.

The President. Well, we haven't proposed that. I think that the word "colony" in any sense would slam some doors in our face. [Laughter] But we have proposed, for example, the Caribbean initiative plan. It passed the House. It didn't get taken up in the Senate before they went, and so we're going to bring it up again.

This is a plan in which the Caribbean Islands down off our front door there—they're all small states, they're all democracies, and they're all of them at a much lower standard of living than we are. So, we have proposed a plan that consists of aid to them, but then also a plan of stimulating their economies, of investment, American investment down there through the private sector—and we have great cooperation in that—to let them develop their own resources. And then to give them a market, we have offered trade advantages and so forth with regard to tariffs, which they would be able to come and sell their products in our country. And that plan has met with great favor by all of them.

The Congress has passed the aid part, so we're able to get started. But we still need to get the things we need and the tax changes and so forth with regard to tariffs so that we can get going with the buildup.

Last Easter all the press said that I was on a 4-day vacation in the Caribbean Islands. I was down there meeting with Prime Ministers of all of those countries and the heads of state and so forth on this very subject. They're waiting for us to move.

Now, in addition to that, with the other underdeveloped countries in Africa and

other parts of the world, the United States again is trying to get them to be self-sufficient, self-sustaining. We buy more produce and more of the production of the underdeveloped nations in the world than all the rest of the world put together, to create markets for them so that they, too, can come up in their standard of living. And the goal that you have in mind is our same goal. But I don't think we could, as I say, use that term.

Now, I'm going to have to miss this boy-girl, boy-girl, because I had pointed to the gentleman in front of you.

Views on the Presidency

Q. My name is Steven Lesh. I'm from Pacific High School, Pacific, Missouri. Mr. President, one of your strengths as President is getting what you want. Jimmy Carter had serious problems working mainly with the Democratic Congress. Can you comment on your powers of persuasion? [Laughter]

The President. Well, what I have used to get much of what we want is taking the case to the people. I once said about legislatures and Congresses that it isn't necessary to make them see the light; make them feel the heat. And so, some of the things that we did, we proposed—I have gone public and told the people about them, and let the Congress hear from the folks back home that they wanted such things as less-wasteful government spending and reduced taxes for our people and so forth. And I'm going to continue to use those.

I think, though, that we've made some great gains in bipartisanship, and one of the most significant has just happened in the last few days—the fact that Tip O'Neill and the leader of the Senate, Howard Baker, and I have all stood up, accompanied by others and have agreed upon the Commission's proposal to restore the fiscal integrity of social security. I dreamed of that day when Tip and I would be standing side by side, saying—[laughter]—to the people, "Hey, this we both want." And I'm very proud and happy that it's going to take place.

Now, I still go back—young lady right there. You, yes.

Nuclear Proliferation

Q. My name is Alice Hempel. I'm from Lamar Consolidated High School in Rosenberg, Texas. Will you please comment on the problem of nuclear proliferation in these smaller, volatile countries such as Pakistan, Syria, and others of the type which may or may soon have nuclear weaponry?

The President. Yes, we have a policy of nonproliferation of nuclear weapons. And we work at it, and most of the major nations do also. And the effort is—it's difficult if someone wants to do this and is going by way of peaceful nuclear power, it is possible to divert some attention and some of what they're doing to the possible making of a weapon. At the same time, however, we have an international organization to guard against that and to inspect and make sure that they're not diverting nuclear energy that could then be used weaponwise.

I think it's been pretty successful. The major parties, of course, had it and have nuclear power, nuclear weapons. The two great threats are, of course, the United States and the Soviet Union. But I think that we're pretty well on our way to, if not entirely eliminating nuclear proliferation, holding it down to where a country might have a weapon or two, but they're not going to have enough to threaten the world.

Yes?

Welfare Programs

Q. Mr. President, my name is John Allen, and I'm from New Orleans, Louisiana, and I represent St. John Prep there in New Orleans. Mr. President, concerning the institutionalization of certain social programs, specifically welfare, how, sir, do you plan to guard against the occurrence of able workers choosing to collect welfare instead of taking on active and productive jobs in our society?

The President. You have cited what is one of the big problems with many of our humane programs. I don't challenge the sincerity of the people that created these programs, but there aren't safeguards. And as the economist Milton Friedman said one day, he said, "If you start paying people to

be poor, you're going to have a lot of poor people."

And we found out in California, we had the most comprehensive reform of welfare that has ever been attempted in this country while I was Governor there. We found out—and it's still pretty much true today—that with all of our good intentions, no one really knows how many people are on welfare. We only know how many checks are being mailed out. And this came to light in one case in Chicago when a woman finally was tried who was collecting welfare under 123 different names. And that hasn't been matched far and wide.

But when we reformed welfare, we found that the biggest area of abuse was in the people that have some income, some outside income, some earnings, but are below a level at which—well, they're so low in that level of earnings that we augment it with welfare funds. In our first effort at—by computer—cross-checking their earnings that they had declared and what we were giving them, we found out that 40 percent of them were understating the amount of outside income they had in addition to welfare. And so, we found a way to fix that.

Now, the result was that the welfare rolls in California were reduced by about 350,000 people. But we were able to increase the grants to the truly needy by 43 percent. They had not had a cost-of-living increase since 1958, and we're talking about 1973 and '74 when we did this. And we never heard from those who disappeared. We never heard any complaint. In other words, what I think we got rid of were the paper people. They weren't legitimately needy, and once we had the reform, they realized they could be caught and so they disappeared.

One of the things we tried—and this, I think, is something to really be explored and that we're trying to do here at the Federal level now—and that is, I think that most of the people on welfare would want nothing better than to be off welfare. They're not a group out there who are sitting and want to be dependent on the case-worker.

So we, as an experiment in part of California—35 counties—we got permission

from the Federal Government to let county governments, city governments, village, town, school districts, submit to us, as we put it, work that you would do if you had the manpower and the money. And we screened these to make sure there weren't any boondoggles, that they were legitimate tasks that really would be good for the community to do. And then we had able-bodied welfare recipients report and work at those useful community projects, only 20 hours a week, just halftime. And the rest of the time was to be spent, if they wanted, in job training. But we spent it also in then trying, seeing them as they worked at these projects, trying to get them jobs in the private sector.

And I think of this with all the great tragedy of unemployment today. This was in the 1974 recession. Through that program, we funneled 76,000 people into private sector jobs, used those government jobs or projects as temporary. And the jobs were permanent. But we wanted the people to keep changing, because we'd get them the better jobs in the private sector. And it worked so successfully that I think it could be a real answer.

If welfare in this country were truly successful, each year we would be able to point to how many people we had been able to make self-sustaining and independent and not having to depend on it. Now, naturally, we're not talking about the disabled or anything. We're talking about able-bodied people. But, instead, if you look back at the history of it, welfare has been increasing in numbers, even when times are good, not in times like this.

And part of it, I have to say, is when you create a government program, it becomes the nearest thing to eternal life you'll ever see on this Earth, because the people whose careers and jobs are now in running these programs, they don't want that program to go away. So, welfare recipients become kind of clients to preserve their jobs. And we've got to look at it a little differently.

Q. Do you feel, sir, that the people involved in the career life of welfare are the ones that are advocating the prolonging of welfare, the institutionalization—

The President. They're not interested in doing anything to help the people get off

welfare. And this is what I think we should do.

What we did was we assigned people—to those who went to work in these community projects, we than assigned people from our labor department in California and called them job agents, and we gave them each a list of clients and said, "Now, your job is to see how quickly you can get these people into good jobs out there in the private sector where they won't need welfare anymore." And they got 76,000 of them jobs.

Q. Mr. President—

The President. That's right. I've got to take a young lady first, and then I'll go back there.

Q. Mr. President, on behalf of the Close-Up students here, we'd like to thank you for sharing this time with us.

The President. Oh, I'm sorry. Well, thank you all. Thank you very much.

Could I—whoops—I've got one word to say to them, so leave it on. Don't turn that camera off, because I want to say one word to these young people.

I understand that this is going to be shown to young people and to other schools—and I'm sorry about all the hands—this happens in a press conference every time. I go away feeling guilty because I couldn't get to all the hands that were raised. You want to write me a letter and ask your question, I'll answer the letter and answer the question.

I just want to say to you—now, I've answered some of your questions with things that I made as factual statements. Don't let me get away with it. If you've got any question about them, check it out. Make sure that I was telling you the truth. Your generation is hearing more words from more sources—from TV and TV news and panel shows and radio and in the press and everything else—than any generation that ever lived. Don't let anyone get away with it. When you're given something that is presented to you as a fact, check it out and make sure it's a fact. Do that with me, also.

And now, thank you all. And, again, I'm sorry I couldn't get to all the questions.

Note: The President spoke at 1:30 p.m. in

Room 450 of the Old Executive Office Building. The question-and-answer session was taped for later broadcast on the Cable Satellite Public Affairs Network.

The participants were part of the Close-

Up Foundation program, a nonpartisan educational foundation providing secondary school students opportunities to study the American political system.

Statement on the Retirement of Senate Majority Leader Howard H. Baker, Jr.

January 21, 1983

I learned with great regret today from my good friend, Senator Howard Baker, that he intends to retire from the Senate at the end of his present term in 1984.

Senator Baker's retirement will be a great loss to America. Certainly he has been one of the finest, most skillful majority leaders of this century. For me, personally, he has long been a wise counsellor, an invaluable ally, and a trusted partner and friend.

I know my feelings are echoed by the Members of the Senate, from both sides of

the aisle, who have enjoyed serving with this man of extraordinary insight, fairness, and good will. We all look forward to continuing to work with him for the balance of the term.

And I know that Howard and I will remain close working friends and collaborators even after his retirement from the Senate. His vision and leadership are great national assets, and we'll certainly continue to draw on them.

Recess Appointment of Four Members of the Board of Directors of the Legal Services Corporation

January 21, 1983

The President has recess appointed the following individuals to be members of the Board of Directors of the Legal Services Corporation:

Milton M. Masson is currently executive vice president and treasurer of Sullivan and Masson, Inc., consulting engineers, architects, and construction managers based in Arizona. He is also a member of the Board of Directors of the United States Synthetic Fuels Corporation. He led the development of Sun Eagle Development Co. in Colorado and serves as a board member and vice president. He graduated from Christian Brothers College (B.S., 1964). He is married, has two children, and resides in Scottsdale, Ariz. He was born July 27, 1941. He would succeed Harold R. DeMoss, Jr.

Robert E. McCarthy has been senior partner in the firm of Bohnert, McCarthy, Flowers, Roberts & Damir, in San Francisco, Calif., since 1955. He served as a consultant to the Office of

Policy Development, the White House, in 1981-1982. He graduated from the University of California at Berkeley (B.A., 1941) and the University of California, Boalt Hall School of Law (J.D., 1949). He is married, has five children, and resides in San Francisco, Calif. He was born February 16, 1920. He would succeed Clarence V. McKee.

Donald Eugene Santarelli is an attorney with the firm Santarelli & Gimer in Washington, D.C. He is currently serving as a member of the Board of Directors of the Overseas Private Investment Corporation. He served as a member of the board of directors of the Corporation for Public Broadcasting and was chairman of its program advisory committee. He graduated from the University of Virginia Law School (LL.B., 1962) and the University of Virginia Graduate School of Arts and Sciences (M.A., 1964). He is married, has two children, and resides in Alexandria, Va. He was born July 22, 1937. He would succeed Annie Laurie Slaughter.

E. Donald Shapiro has been serving as dean and professor of law at New York Law School since 1973. He was a partner in the law firm of Andersen & Co. in 1971–1973. He served as director of the Practicing Law Institute in 1968–1971. He graduated from Dickinson College (A.B., 1953) and Harvard Law School (J.D., 1956). He is married, has four children, and

resides in Short Hills, N.J. He was born November 1, 1931. He would succeed Howard Dana.

Note: On February 1, the White House announced that Mr. Shapiro notified members of the White House staff that he declined to accept the appointment as a member of the Board of Directors.

Statement on the 25th Anniversary of Venezuelan Democracy *January 21, 1983*

On behalf of the people of the United States of America, I extend warm congratulations to the people of Venezuela as they celebrate 25 years of uninterrupted democratic government. The vitality and durability of Venezuela's free institutions are an inspiration to the hemisphere and a reminder to all people that only through peri-

odic and unfettered elections can freedom flourish. It is particularly appropriate that this occasion coincides with another important event honored by all Americans—the 200th anniversary of the birth of Simón Bolívar, whose democratic ideals live in the hearts of all our citizens.

Radio Address to the Nation on Domestic Social Issues *January 22, 1983*

My fellow Americans:

A week ago, Graham Washington Jackson, an ex-Navy musician, died in Atlanta at the age of 79. You probably don't recognize his name, but his face became familiar to millions of Americans when President Roosevelt died in Warm Springs, Georgia, in 1945. There's a very famous, very moving photo of Chief Petty Officer Jackson, tears streaming down his face while he played "Going Home" on his accordion as F. D. R.'s body was borne away by train to Washington.

Mr. Jackson once said that as he began to play, "It seemed like every nail and every pin in the world just stuck in me." Mr. Jackson symbolized the grief of the Nation back in 1945, and I just wanted his own family to know the Nation hasn't forgotten their personal grief today, 38 years later.

As I'm sure Mr. Jackson's family would tell you, in times of sorrow the warmth and support of a family's ties are especially im-

portant. I've spoken a great deal about the strength and virtues of the American family. I'd like to return to that topic today, because the family will again be a top priority as we head into the new year—for the family is still the basic unit of religious and moral values that hold our society together.

In the year ahead we face serious, painful problems, like unemployment. In a few days I'll speak about the economic situation facing us, but I also want you to know we'll not ignore the moral essentials in the coming months. As many of you know, I strongly support an amendment that will permit our children to hold prayer in our schools. The amendment would allow communities to determine for themselves whether voluntary prayer should be permitted in their public schools. We didn't get that amendment through the last Congress, but I'll continue to push for it in the next Congress.

I believe that schoolchildren deserve the

same right to pray that's enjoyed by the Congress and chaplains and troops in our armed services. The motto on our coinage reads, "In God We Trust." No one must ever be forced or pressured to take part in any religious exercise, but neither should the Government forbid religious practice. The public expression through prayer of our faith in God is a fundamental part of our American heritage and a privilege which should not be excluded from our schools.

Today, 5 million American kids attend private schools because of the emphasis on religious values and educational standards. The overwhelming majority of these schools are church-supported—Catholic, Protestant, and Jewish. And the majority of students are from families earning less than \$25,000. In many parochial schools the majority of students are from minority neighborhoods. In addition to private tuition, these families also pay their full share of taxes to fund the public schools. I think they're entitled to some relief, since they're supporting two school systems and only using one.

Last year, as a matter of tax equity, we introduced legislation to give these families a break. We don't seek to aid the rich, but those lower- and middle-income families who are most strapped by taxes and the recession. In proposing tuition tax credits, we hope to provide greater choice and wider educational opportunity for our children. The Congress failed to pass the measure we proposed, but we're not giving up. In the coming session, we will again work to secure passage of tuition tax credits.

There's another issue closely identified

with families, although the issue itself often splits families apart. Ten years ago today, the Supreme Court overturned the State laws protecting the lives of the unborn. Heated debate on abortion has raged ever since. On one hand, there is the argument that a woman should have control over her own person. On the other hand, there is the argument that another life is involved here—the unborn child. That's the belief which has drawn many here to Washington today to march and to pray.

I, too, have always believed that God's greatest gift is human life and that we have a duty to protect the life of an unborn child. Until someone can prove the unborn child is not a life, shouldn't we give it the benefit of the doubt and assume it is? That's why I favored legislation to end the practice of abortion on demand and why I will continue to support it in the new Congress.

Now, some of you may be thinking, "Well, he hasn't said a thing that's new." I guess that's true. Some values shouldn't change. But I want you to know there are certain family issues I'll advocate even though it's the budget and the economy that will be getting the headlines, especially in the days ahead.

I realize, though, that to the family with a member unemployed, the economy is a family member. And I'll take that up in my State of the Union address Tuesday night. I hope you'll tune in.

Until next week at this same time, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Announcement of the Establishment and Membership of the White House Coordinating Committee on Private Sector Initiatives *January 24, 1983*

The President today announced the creation of a White House Coordinating Committee on Private Sector Initiatives for the purpose of implementing private initiatives strategy.

The President has asked Michael K.

Deaver, Deputy Chief of Staff, to chair the Committee and coordinate the members consisting of the Assistants to the President for Cabinet Affairs, Communications, Public Liaison, Intergovernmental Affairs, Policy Development, Congressional Affairs, Politi-

cal Affairs and staffed by the Special Assistant to the President for Private Sector Initiatives.

The President developed the internal advisory committee to show his continued

support for the private sector initiatives program and to implement one of the final recommendations of the President's Task Force on Private Sector Initiatives.

Statement on Indian Policy

January 24, 1983

This administration believes that responsibilities and resources should be restored to the governments which are closest to the people served. This philosophy applies not only to State and local governments but also to federally recognized American Indian tribes.

When European colonial powers began to explore and colonize this land, they entered into treaties with sovereign Indian nations. Our new nation continued to make treaties and to deal with Indian tribes on a government-to-government basis. Throughout our history, despite periods of conflict and shifting national policies in Indian affairs, the government-to-government relationship between the United States and Indian tribes has endured. The Constitution, treaties, laws, and court decisions have consistently recognized a unique political relationship between Indian tribes and the United States which this administration pledges to uphold.

In 1970 President Nixon announced a national policy of self-determination for Indian tribes. At the heart of the new policy was a commitment by the Federal Government to foster and encourage tribal self-government. That commitment was signed into law in 1975 as the Indian Self-Determination and Education Assistance Act.

The principle of self-government set forth in this act was a good starting point. However, since 1975 there has been more rhetoric than action. Instead of fostering and encouraging self-government, Federal policies have by and large inhibited the political and economic development of the tribes. Excessive regulation and self-perpetuating bureaucracy have stifled local decisionmaking, thwarted Indian control of

Indian resources, and promoted dependency rather than self-sufficiency.

This administration intends to reverse this trend by removing the obstacles to self-government and by creating a more favorable environment for the development of healthy reservation economies. Tribal governments, the Federal Government, and the private sector will all have a role. This administration will take a flexible approach which recognizes the diversity among tribes and the right of each tribe to set its own priorities and goals. Change will not happen overnight. Development will be charted by the tribes, not the Federal Government.

This administration honors the commitment this nation made in 1970 and 1975 to strengthen tribal governments and lessen Federal control over tribal governmental affairs. This administration is determined to turn these goals into reality. Our policy is to reaffirm dealing with Indian tribes on a government-to-government basis and to pursue the policy of self-government for Indian tribes without threatening termination.

In support of our policy, we shall continue to fulfill the Federal trust responsibility for the physical and financial resources we hold in trust for the tribes and their members. The fulfillment of this unique responsibility will be accomplished in accordance with the highest standards.

Tribal Self-Government

Tribal governments, like State and local governments, are more aware of the needs and desires of their citizens than is the Federal Government and should, therefore, have the primary responsibility for meeting those needs. The only effective way for

Indian reservations to develop is through tribal governments which are responsive and accountable to their members.

Early in this nation's dealings with Indian tribes, Federal employees began to perform Indian tribal government functions. Despite the Indian Self-Determination Act, major tribal government functions—enforcing tribal laws, developing and managing tribal resources, providing health and social services, educating children—are frequently still carried on by Federal employees. The Federal Government must move away from this surrogate role which undermines the concept of self-government.

It is important to the concept of self-government that tribes reduce their dependence on Federal funds by providing a greater percentage of the cost of their self-government. Some tribes are already moving in this direction. This administration pledges to assist tribes in strengthening their governments by removing the Federal impediments to tribal self-government and tribal resource development. Necessary Federal funds will continue to be available. This administration affirms the right of tribes to determine the best way to meet the needs of their members and to establish and run programs which best meet those needs.

For those small tribes which have the greatest need to develop core governmental capacities, this administration has developed, through the Assistant Secretary of the Interior for Indian Affairs, the Small Tribes Initiative. This program will provide financial support necessary to allow these tribes to develop basic tribal administrative and management capabilities.

In keeping with the government-to-government relationship, Indian tribes are defined by law as eligible entities and receive direct funding, if they wish, in five block grant programs administered by the Department of Health and Human Services. These and other blocks to the States consolidated dozens of categorical Federal domestic assistance programs to reduce fragmentation and overlap, eliminate excessive Federal regulation, and provide for more local control. This administration now proposes that Indian tribes be eligible for direct funding in the Title XX social services block, the block with the largest appropri-

ation and the greatest flexibility in service delivery.

In addition, we are moving the White House liaison for federally recognized tribes from the Office of Public Liaison to the Office of Intergovernmental Affairs, which maintains liaison with State and local governments. In the past several administrations, tribes have been placed along with vital interest groups, such as veterans, businessmen, and religious leaders. In moving the tribal government contact within the White House Intergovernmental Affairs staff, this administration is underscoring its commitment to recognizing tribal governments on a government-to-government basis.

Further, we are recommending that the Congress expand the authorized membership of the Advisory Commission on Intergovernmental Relations (42 U.S.C. 4273) to include a representative of Indian tribal governments. In the interim, before congressional action, we are requesting that the Assistant Secretary for Indian Affairs join the Commission as an observer. We also supported and signed into law the Indian Tribal Governmental Tax Status Act which provides tribal governments with essentially the same treatment under Federal tax laws as applies to other governments with regard to revenue raising and saving mechanisms.

In addition, this administration calls upon Congress to replace House Concurrent Resolution 108 of the 83d Congress, the resolution which established the now discredited policy of terminating the Federal-tribal relationship. Congress has implicitly rejected the termination policy by enacting the Indian Self-Determination and Education Assistance Act of 1975. However, because the termination policy declared in H. Con. Res. 108 has not been expressly and formally repudiated by a concurrent resolution of Congress, it continues to create among the Indian people an apprehension that the United States may not in the future honor the unique relationship between the Indian people and the Federal Government. A lingering threat of termination has no place in this administration's policy of self-government for Indian tribes, and I ask Congress to again express its support of self-govern-

ment.

These actions are but the first steps in restoring control to tribal governments. Much more needs to be done. Without sound reservation economies, the concept of self-government has little meaning. In the past, despite good intentions, the Federal Government has been one of the major obstacles to economic progress. This administration intends to remove the impediments to economic development and to encourage cooperative efforts among the tribes, the Federal Government, and the private sector in developing reservation economies.

Development of Reservation Economies

The economies of American Indian reservations are extremely depressed, with unemployment rates among the highest in the country. Indian leaders have told this administration that the development of reservation economies is their number one priority. Growing economies provide jobs, promote self-sufficiency, and provide revenue for essential services. Past attempts to stimulate growth have been fragmented and largely ineffective. As a result, involvement of private industry has been limited, with only infrequent success. Developing reservation economies offers a special challenge: devising investment procedures consistent with the trust status, removing legal barriers which restrict the type of contracts tribes can enter into, and reducing the numerous and complex regulations which hinder economic growth.

Tribes have had limited opportunities to invest in their own economies, because often there has been no established resource base for community investment and development. Many reservations lack a developed physical infrastructure, including utilities, transportation, and other public services. They also often lack the regulatory, adjudicatory, and enforcement mechanisms necessary to interact with the private sector for reservation economic development. Development on the reservation offers potential for tribes and individual entrepreneurs in manufacturing, agribusiness, and modern technology, as well as fishing, livestock, arts and crafts, and other traditional livelihoods.

Natural resources such as timber, fishing, and energy provide an avenue of development for many tribes. Tribal governments have the responsibility to determine the extent and the methods of developing the tribe's natural resources. The Federal Government's responsibility should not be used to hinder tribes from taking advantage of economic development opportunities.

With regard to energy resources, both the Indian tribes and the Nation stand to gain from the prudent development and management of the vast coal, oil, gas, uranium, and other resources found on Indian lands. As already demonstrated by a number of tribes, these resources can become the foundation for economic development on many reservations, while lessening our nation's dependence on imported oil. The Federal role is to encourage the production of energy resources in ways consistent with Indian values and priorities. To that end, we have strongly supported the use of creative agreements such as joint ventures and other nonlease agreements for the development of Indian mineral resources.

It is the free market which will supply the bulk of the capital investments required to develop tribal energy and other resources. A fundamental prerequisite to economic development is capital formation. The establishment of a financial structure that is a part of the Indian reservation community is essential to the development of Indian capital formation.

Federal support will be made available to tribes to assist them in developing the necessary management capability and in attracting private capital. As a first step in that direction, we provided funds in the FY 1983 budget to provide seed money to tribes to attract private funding for economic development ventures on reservations. As more tribes develop their capital resource base and increase their managerial expertise, they will have an opportunity to realize the maximum return on their investments and will be able to share an increasing portion of the business risk.

It is the policy of this administration to encourage private involvement, both Indian and non-Indian, in tribal economic development. In some cases, tribes and the private

sector have already taken innovative approaches which have overcome the legislative and regulatory impediments to economic progress.

Since tribal governments have the primary responsibility for meeting the basic needs of Indian communities, they must be allowed the chance to succeed. This administration, therefore, is establishing a Presidential Advisory Commission on Indian Reservation Economies. The Commission, composed of tribal and private sector leaders, is to identify obstacles to economic growth in the public and private sector at all levels; examine and recommend changes in Federal law, regulations, and procedures to remove such obstacles; identify actions State, local, and tribal governments could take to rectify identified problems; and recommend ways for the private sector, both Indian and non-Indian, to participate in the development and growth of reservation economies. It is also to be charged with the responsibility for advising the President on recommended actions required to create a positive environment for the development and growth of reservation economies.

Numerous Federal agencies can offer specialized assistance and expertise to the tribes not only in economic development, but also in housing, health, education, job training, and other areas which are an integral part of reservation economies. It is to the advantage of the tribes, and in the interest of the taxpayers, that the Federal role be fully reviewed and coordinated. Therefore, this administration directs the Cabinet Council on Human Resources to act as a mechanism to ensure that Federal activities are nonduplicative, cost-effective, and consistent with the goal of encouraging self-government with a minimum of Federal interference.

Summary

This administration intends to restore tribal governments to their rightful place among the governments of this nation and to enable tribal governments, along with State and local governments, to resume control over their own affairs.

This administration has sought suggestions from Indian leaders in forming the policies which we have announced. We

intend to continue this dialog with the tribes as these policies are implemented.

The governmental and economic reforms proposed for the benefit of Indian tribes and their members cannot be achieved in a vacuum.

This nation's economic health—and that of the tribes—depends on adopting this administration's full economic recovery program. This program calls for eliminating excessive Federal spending and taxes, removing burdensome regulations, and establishing a sound monetary policy. A full economic recovery will unleash the potential strength of the private sector and ensure a vigorous economic climate for development which will benefit not only Indian people but all other Americans as well.

REAGAN ADMINISTRATION INDIAN POLICY INITIATIVES

—Request that Congress repudiate House Concurrent Resolution 108 of the 83d Congress which called for termination of the Federal-tribal relationship. The administration wants this lingering threat of termination replaced by a resolution expressing its support of a government-to-government relationship.

—Ask Congress to expand the authorized membership of the Advisory Commission on Intergovernmental Relations to include a representative of Indian tribal governments. In the interim, request that the Assistant Secretary of the Interior for Indian Affairs join the ACIR as an observer.

—Move the White House liaison for federally recognized tribes from the Office of Public Liaison to the Office of Intergovernmental Affairs.

—Establish a Presidential Advisory Commission on Indian Reservation Economies to identify obstacles to economic growth and recommend changes at all levels, recommend ways to encourage private sector involvement, and advise the President what actions are needed to create a positive environment for the development and growth of reservation economies.

—Support direct funding to Indian tribes under the Title XX social services block grant to States.

—Sought and obtained funds for FY 1983

to implement the Small Tribes Initiative to provide financial support needed to allow small tribes to develop basic tribal administrative and management capabilities.

—Sought and obtained funds for FY 1983 to provide seed money for tribes for economic development ventures on reservations.

—Supported and signed into law the Tribal Governmental Tax Status Act which will provide tribal governments with the same revenue raising and saving mecha-

nisms available to other governments.

—Support the use of creative agreements such as joint ventures and other non-lease agreements for the development of Indian mineral resources.

—Direct the Cabinet Council on Human Resources to act as a review and coordination mechanism to ensure that Federal activities are non-duplicative, cost-effective, and consistent with the goal of encouraging tribal self-government with a minimum of Federal interference.

Appointment of Jean J. Smoot as a Member of the Board of Foreign Scholarships

January 25, 1983

The President today announced his intention to appoint Jean J. Smoot to be a member of the Board of Foreign Scholarships for a term expiring September 22, 1985. She would succeed Samuel R. Spencer, Jr.

Since 1974 she has been associate professor of English at North Carolina State Uni-

versity in Raleigh, N.C. She was an assistant professor of English at North Carolina State in 1968–1974.

She graduated from Eckerd College (B.A., 1964) and the University of North Carolina at Chapel Hill (Ph. D., 1968). She is married, has four children, and resides in Wake Forest, N.C. She was born June 10, 1943.

Question-and-Answer Session With Network Anchors on the State of the Union Address'

January 25, 1983

The President. I'm supposed to get out of here in like 2½ minutes and not interrupt any of the other briefings that you've had. I really came in to tell all of you that everything you've heard is off the record. [Laughter]

I'll sit for just a second since you pulled a chair out. But I know that you've been getting a quite capable briefing from all those who are on hand as to generally where our minds are going in here. And—just wanted to prove I was still alive and on duty. [Laughter]

Q. Do you see this speech as crucial to you in a political way tonight, Mr. President?

The President. Well, since it's a national institution and an annual institution, I don't believe any administrations in the past have risen or fallen on the State of the Union address. I welcome it as an opportunity to maybe make some things clear and explain some things, what we're trying to do. I must say this, that after all the years in the other industry, I've been surprised that I could still get puckered up going in to appear before an audience that—there's something about that particular institution over there that you do feel a little uptight when you face them.

Q. Mr. President, if you had to appear on television tonight in another role and you

had, maybe, 35 seconds to sum up your State of the Union address, what—[*laughter*]*—*this is a hypothetical—[*laughter*]. But what single thing in this State of the Union address—is there anything that stands out in your mind more than the others that you would concentrate on and make sure you've mentioned in that fleeting 35 seconds?

The President. No, I don't think I could point to anyone. I think the overall tone is the economic situation we're in and what to do about it. But I couldn't—that's what *you* usually do, is sum up everything that I'm doing in 35 seconds. [*Laughter*]

Q. That wasn't bad. Fifteen seconds right there. [*Laughter*]

The President. But that is the situation. And it's one that, of course, I'm sure we're all involved in and that we're all interested in and wrapped up in—this economic windstorm that has hit us here, and what we can do about it. And I am confident that what we're doing is the way to go about it.

You can't be here and look back at the charts of the previous recessions without recognizing that they've all had some characteristics that back on the mash-potato circuit, years ago, I was saying were going to lead to disaster. And that is that each one of them—inflation went higher and unemployment went higher. And when the recession was supposedly cured—and nothing ever got back down to where it had been before, so that it's been a succession of upward steps, each one getting worse than the last. And this one is the last of the string that have taken place since World War II.

But again, there is something very different about this, which I think reflects our approach to it. That is that inflation has always gone up, and for the first time since the very early Depression, we have inflation on a downward path. And I hope it will continue to where it's zero, because for more than two decades I have myself been preaching that you cannot have—as we were told for so many years and by those in power in Washington, that you could have an ongoing inflation that was controllable and that was necessary to sustain prosperity. Well, it had never been that way in our history before. And I kept warning that inflation is like radioactivity; it's cumulative. And one day you wake up and find out that

your money isn't worth anything. And it gets out of control. And it did. And I hope that we've got it back under control. We have at the present. And I'm going to do everything I can to see that it goes on in the future.

Anything else, even when it was the modest, little level that they said we could hold, if you added it up each year—money that you might have in the bank or investments or in insurance was losing *x* number of pennies of its value. So that when you finally resorted to that money—retirement or whatever—you didn't have what you had originally put in there and what you thought you were going to have.

I've used an example of my own, a personal example. I once bought a retirement policy when I was in motion pictures, and one that—when I bought it—I figured would allow me to continue living as I was living. And when it finally came due, it wouldn't pay the property taxes on my house. That's what consistent, long-term inflation can do.

I didn't mean to make an economic lecture here. [*Laughter*] Don will correct everything that I have said. [*Laughter*]

Secretary Regan. Thank you very much.

Q. Mr. President, do you think what you're going to say tonight is going to be enough?

The President. Well, it will be enough for the fellows on the other side of the aisle. [*Laughter*] They'll probably think it's too much.

No. I don't think that you can really get in depth. Any one of the subjects that must be included in the State of the Union address would lend itself to a separate address all by itself. You can only point to a direction that you hope we're going—intend to go, in this kind of an address.

Q. Well, Mr. President, there's bound to be disagreement. But we've been given to understand you're really not going to stress the failures of the past or the problems of past administrations, but you're going to look forward and really call for a bipartisan approach. Is that true?

The President. I'm going to talk about what we all have to do together. And that's the only way we can do it.

Q. But you're not going to point the finger so much at what happened before?

The President. No.

Q. Well, what I meant by "enough" was enough to get you out of the political doldrums that you are allegedly in and enough to get the country out of the recession it's in.

The President. Hell, I was just hoping that the fellows here with all of you would get you out of those doldrums, and then the people would get out of those doldrums. [Laughter]

There's no point in trying to worry about image or anything in a situation of this kind. You just have to do what you think needs to be done. And if you're right, that'll take care of itself. And if you're wrong, as Mr. Lincoln said, "All of the angels in heaven couldn't change that situation."

But I think we're right. I think we're on the right course. And I think, really, it's the first time since World War II that this government has started down the right road to curing its economic problems. You see, we all forget that the Great Depression was never cured by any of the things that government was doing. It was relieved by World War II. And that is a road I choose not to go down again. But when the war was over, we were still faced with many of the problems that are causing us trouble today. And we kept on taking the same medicine, and it wasn't doing the job.

Q. When you said, Mr. President, that this situation is very different than the recessions of the past, how serious is it? Are we at an emergency point?

The President. Any time you've got unemployment, you're in an emergency. Certainly, it's an emergency for those people

who are without their jobs, and it has to be the uppermost thing in all our minds.

But no, what I meant was the difference is that all the seven recessions prior to this one, since World War II, the same remedies were applied. And the same remedies led to increased inflation. When they were supposedly over, due to an artificial stimulant, unemployment was higher than it had been before the recession hit. It never got back down. And about 2 or 3 years later, in that range, you had another recession that was worse. And it was kind of like taking a fix, and the fix wore off because it couldn't be sustained, because it was artificial.

And what we've done here is, basically, seek to reduce the percentage of the gross national product that is being taken by government—reduce the percentage that was being spent by government and—[inaudible]—being taken by government in taxes. And incidentally, the two figures are not the same. They've been diverging for a long time. And we are trying to get back to government in its proper place and take the restraints off the private sector—off business and industry—that have actually held our economy down, and let it do what for so many years it did so well for the standard of living and the prosperity of our people.

Now, everybody says I have to get out of here.

Participants. Thank you very much, Mr. President.

Note: The exchange began at 1 p.m. in the Roosevelt Room at the White House, where the network anchors were attending a luncheon briefing by administration officials.

Address Before a Joint Session of the Congress on the State of the Union

January 25, 1983

Mr. Speaker, Mr. President, distinguished Members of the Congress, honored guests, and fellow citizens:

This solemn occasion marks the 196th

time that a President of the United States has reported on the State of the Union since George Washington first did so in 1790. That's a lot of reports, but there's no

shortage of new things to say about the State of the Union. The very key to our success has been our ability, foremost among nations, to preserve our lasting values by making change work for us rather than against us.

I would like to talk with you this evening about what we can do together—not as Republicans and Democrats, but as Americans—to make tomorrow's America happy and prosperous at home, strong and respected abroad, and at peace in the world.

As we gather here tonight, the state of our Union is strong, but our economy is troubled. For too many of our fellow citizens—farmers, steel and auto workers, lumbermen, black teenagers, working mothers—this is a painful period. We must all do everything in our power to bring their ordeal to an end. It has fallen to us, in our time, to undo damage that was a long time in the making, and to begin the hard but necessary task of building a better future for ourselves and our children.

We have a long way to go, but thanks to the courage, patience, and strength of our people, America is on the mend.

But let me give you just one important reason why I believe this—it involves many members of this body.

Just 10 days ago, after months of debate and deadlock, the bipartisan Commission on Social Security accomplished the seemingly impossible. Social security, as some of us had warned for so long, faced disaster. I, myself, have been talking about this problem for almost 30 years. As 1983 began, the system stood on the brink of bankruptcy, a double victim of our economic ills. First, a decade of rampant inflation drained its reserves as we tried to protect beneficiaries from the spiraling cost of living. Then the recession and the sudden end of inflation withered the expanding wage base and increasing revenues the system needs to support the 36 million Americans who depend on it.

When the Speaker of the House, the Senate majority leader, and I performed the bipartisan—or formed the bipartisan Commission on Social Security, pundits and experts predicted that party divisions and conflicting interests would prevent the Commission from agreeing on a plan to

save social security. Well, sometimes, even here in Washington, the cynics are wrong. Through compromise and cooperation, the members of the Commission overcame their differences and achieved a fair, workable plan. They proved that, when it comes to the national welfare, Americans can still pull together for the common good.

Tonight, I'm especially pleased to join with the Speaker and the Senate majority leader in urging the Congress to enact this plan by Easter.

There are elements in it, of course, that none of us prefers, but taken together it performs a package that all of us can support. It asks for some sacrifice by all—the self-employed, beneficiaries, workers, government employees, and the better-off among the retired—but it imposes an undue burden on none. And, in supporting it, we keep an important pledge to the American people: The integrity of the social security system will be preserved, and no one's payments will be reduced.

The Commission's plan will do the job; indeed, it must do the job. We owe it to today's older Americans and today's younger workers. So, before we go any further, I ask you to join with me in saluting the members of the Commission who are here tonight and Senate Majority Leader Howard Baker and Speaker Tip O'Neill for a job well done. I hope and pray the bipartisan spirit that guided you in this endeavor will inspire all of us as we face the challenges of the year ahead.

Nearly half a century ago, in this Chamber, another American President, Franklin Delano Roosevelt, in his second State of the Union message, urged America to look to the future, to meet the challenge of change and the need for leadership that looks forward, not backward.

"Throughout the world," he said, "change is the order of the day. In every nation economic problems long in the making have brought crises to [of] many kinds for which the masters of old practice and theory were unprepared." He also reminded us that "the future lies with those wise political leaders who realize that the great public is interested more in Government than in politics."

So, let us, in these next 2 years—men and women of both parties, every political shade—concentrate on the long-range, bipartisan responsibilities of government, not the short-range or short-term temptations of partisan politics.

The problems we inherited were far worse than most inside and out of government had expected; the recession was deeper than most inside and out of government had predicted. Curing those problems has taken more time and a higher toll than any of us wanted. Unemployment is far too high. Projected Federal spending—if government refuses to tighten its own belt—will also be far too high and could weaken and shorten the economic recovery now underway.

This recovery will bring with it a revival of economic confidence and spending for consumer items and capital goods—the stimulus we need to restart our stalled economic engines. The American people have already stepped up their rate of saving, assuring that the funds needed to modernize our factories and improve our technology will once again flow to business and industry.

The inflationary expectations that led to a 21½-percent interest prime rate and soaring mortgage rates 2 years ago are now reduced by almost half. Leaders have started to realize that double-digit inflation is no longer a way of life. I misspoke there. I should have said “lenders.”

So, interest rates have tumbled, paving the way for recovery in vital industries like housing and autos.

The early evidence of that recovery has started coming in. Housing starts for the fourth quarter of 1982 were up 45 percent from a year ago, and housing permits, a sure indicator of future growth, were up a whopping 60 percent.

We're witnessing an upsurge of productivity and impressive evidence that American industry will once again become competitive in markets at home and abroad, ensuring more jobs and better incomes for the Nation's work force. But our confidence must also be tempered by realism and patience. Quick fixes and artificial stimulants repeatedly applied over decades are what brought us the inflationary disorders that

we've now paid such a heavy price to cure.

The permanent recovery in employment, production, and investment we seek won't come in a sharp, short spurt. It'll build carefully and steadily in the months and years ahead. In the meantime, the challenge of government is to identify the things that we can do now to ease the massive economic transition for the American people.

The Federal budget is both a symptom and a cause of our economic problems. Unless we reduce the dangerous growth rate in government spending, we could face the prospect of sluggish economic growth into the indefinite future. Failure to cope with this problem now could mean as much as a trillion dollars more in national debt in the next 4 years alone. That would average \$4,300 in additional debt for every man, woman, child, and baby in our nation.

To assure a sustained recovery, we must continue getting runaway spending under control to bring those deficits down. If we don't, the recovery will be too short, unemployment will remain too high, and we will leave an unconscionable burden of national debt for our children. That we must not do.

Let's be clear about where the deficit problem comes from. Contrary to the drumbeat we've been hearing for the last few months, the deficits we face are not rooted in defense spending. Taken as a percentage of the gross national product, our defense spending happens to be only about four-fifths of what it was in 1970. Nor is the deficit, as some would have it, rooted in tax cuts. Even with our tax cuts, taxes as a fraction of gross national product remain about the same as they were in 1970. The fact is, our deficits come from the uncontrolled growth of the budget for domestic spending.

During the 1970's, the share of our national income devoted to this domestic spending increased by more than 60 percent, from 10 cents out of every dollar produced by the American people to 16 cents. In spite of all our economies and efficiencies, and without adding any new programs, basic, necessary domestic spending provided for in this year's budget will grow to almost a trillion dollars over the next 5 years.

The deficit problem is a clear and present danger to the basic health of our Republic. We need a plan to overcome this danger—a plan based on these principles. It must be bipartisan. Conquering the deficits and putting the Government's house in order will require the best effort of all of us. It must be fair. Just as all will share in the benefits that will come from recovery, all would share fairly in the burden of transition. It must be prudent. The strength of our national defense must be restored so that we can pursue prosperity and peace and freedom while maintaining our commitment to the truly needy. And finally, it must be realistic. We can't rely on hope alone.

With these guiding principles in mind, let me outline a four-part plan to increase economic growth and reduce deficits.

First, in my budget message, I will recommend a Federal spending freeze. I know this is strong medicine, but so far, we have only cut the rate of increase in Federal spending. The Government has continued to spend more money each year, though not as much more as it did in the past. Taken as a whole, the budget I'm proposing for the fiscal year will increase no more than the rate of inflation. In other words, the Federal Government will hold the line on real spending. Now, that's far less than many American families have had to do in these difficult times.

I will request that the proposed 6-month freeze in cost-of-living adjustments recommended by the bipartisan Social Security Commission be applied to other government-related retirement programs. I will, also, propose a 1-year freeze on a broad range of domestic spending programs, and for Federal civilian and military pay and pension programs. And let me say right here, I'm sorry, with regard to the military, in asking that of them, because for so many years they have been so far behind and so low in reward for what the men and women in uniform are doing. But I'm sure they will understand that this must be across the board and fair.

Second, I will ask the Congress to adopt specific measures to control the growth of the so-called uncontrollable spending programs. These are the automatic spending programs, such as food stamps, that cannot

be simply frozen and that have grown by over 400 percent since 1970. They are the largest single cause of the built-in or structural deficit problem. Our standard here will be fairness, ensuring that the taxpayers' hard-earned dollars go only to the truly needy; that none of them are turned away, but that fraud and waste are stamped out. And I'm sorry to say, there's a lot of it out there. In the food stamp program alone, last year, we identified almost [\$]1.1 billion in overpayments. The taxpayers aren't the only victims of this kind of abuse. The truly needy suffer as funds intended for them are taken not by the needy, but by the greedy. For everyone's sake, we must put an end to such waste and corruption.

Third, I will adjust our program to restore America's defenses by proposing \$55 billion in defense savings over the next 5 years. These are savings recommended to me by the Secretary of Defense, who has assured me they can be safely achieved and will not diminish our ability to negotiate arms reductions or endanger America's security. We will not gamble with our national survival.

And fourth, because we must ensure reduction and eventual elimination of deficits over the next several years, I will propose a standby tax, limited to no more than 1 percent of the gross national product, to start in fiscal 1986. It would last no more than 3 years, and it would start only if the Congress has first approved our spending freeze and budget control program. And there are several other conditions also that must be met, all of them in order for this program to be triggered.

Now, you could say that this is an insurance policy for the future, a remedy that will be at hand if needed but only resorted to if absolutely necessary. In the meantime, we'll continue to study ways to simplify the tax code and make it more fair for all Americans. This is a goal that every American who's ever struggled with a tax form can understand.

At the same time, however, I will oppose any efforts to undo the basic tax reforms that we've already enacted, including the 10-percent tax break coming to taxpayers this July and the tax indexing which will

protect all Americans from inflationary bracket creep in the years ahead.

Now, I realize that this four-part plan is easier to describe than it will be to enact. But the looming deficits that hang over us and over America's future must be reduced. The path I've outlined is fair, balanced, and realistic. If enacted, it will ensure a steady decline in deficits, aiming toward a balanced budget by the end of the decade. It's the only path that will lead to a strong, sustained recovery. Let us follow that path together.

No domestic challenge is more crucial than providing stable, permanent jobs for all Americans who want to work. The recovery program will provide jobs for most, but others will need special help and training for new skills. Shortly, I will submit to the Congress the Employment Act of 1983, designed to get at the special problems of the long-term unemployed, as well as young people trying to enter the job market. I'll propose extending unemployment benefits, including special incentives to employers who hire the long-term unemployed, providing programs for displaced workers, and helping federally funded and State-administered unemployment insurance programs provide workers with training and relocation assistance. Finally, our proposal will include new incentives for summer youth employment to help young people get a start in the job market.

We must offer both short-term help and long-term hope for our unemployed. I hope we can work together on this. I hope we can work together as we did last year in enacting the landmark Job Training Partnership Act. Regulatory reform legislation, a responsible clean air act, and passage of enterprise zone legislation will also create new incentives for jobs and opportunity.

One of out of every five jobs in our country depends on trade. So, I will propose a broader strategy in the field of international trade—one that increases the openness of our trading system and is fairer to America's farmers and workers in the world marketplace. We must have adequate export financing to sell American products overseas. I will ask for new negotiating authority to remove barriers and to get more of our products into foreign markets. We must

strengthen the organization of our trade agencies and make changes in our domestic laws and international trade policy to promote free trade and the increased flow of American goods, services, and investments.

Our trade position can also be improved by making our port system more efficient. Better, more active harbors translate into stable jobs in our coalfields, railroads, trucking industry, and ports. After 2 years of debate, it's time for us to get together and enact a port modernization bill.

Education, training, and retraining are fundamental to our success as are research and development and productivity. Labor, management, and government at all levels can and must participate in improving these tools of growth. Tax policy, regulatory practices, and government programs all need constant reevaluation in terms of our competitiveness. Every American has a role and a stake in international trade.

We Americans are still the technological leaders in most fields. We must keep that edge, and to do so we need to begin renewing the basics—starting with our educational system. While we grew complacent, others have acted. Japan, with a population only about half the size of ours, graduates from its universities more engineers than we do. If a child doesn't receive adequate math and science teaching by the age of 16, he or she has lost the chance to be a scientist or an engineer. We must join together—parents, teachers, grassroots groups, organized labor, and the business community—to revitalize American education by setting a standard of excellence.

In 1983 we seek four major education goals: a quality education initiative to encourage a substantial upgrading of math and science instruction through block grants to the States; establishment of education savings accounts that will give middle- and lower-income families an incentive to save for their children's college education and, at the same time, encourage a real increase in savings for economic growth; passage of tuition tax credits for parents who want to send their children to private or religiously affiliated schools; a constitutional amendment to permit voluntary school prayer. God should never have been

expelled from America's classrooms in the first place.

Our commitment to fairness means that we must assure legal and economic equity for women, and eliminate, once and for all, all traces of unjust discrimination against women from the United States Code. We will not tolerate wage discrimination based on sex, and we intend to strengthen enforcement of child support laws to ensure that single parents, most of whom are women, do not suffer unfair financial hardship. We will also take action to remedy inequities in pensions. These initiatives will be joined by others to continue our efforts to promote equity for women.

Also in the area of fairness and equity, we will ask for extension of the Civil Rights Commission, which is due to expire this year. The Commission is an important part of the ongoing struggle for justice in America, and we strongly support its reauthorization. Effective enforcement of our nation's fair housing laws is also essential to ensuring equal opportunity. In the year ahead, we'll work to strengthen enforcement of fair housing laws for all Americans.

The time has also come for major reform of our criminal justice statutes and acceleration of the drive against organized crime and drug trafficking. It's high time that we make our cities safe again. This administration hereby declares an all-out war on big-time organized crime and the drug racketeers who are poisoning our young people. We will also implement recommendations of our Task Force on Victims of Crime, which will report to me this week.

American agriculture, the envy of the world, has become the victim of its own successes. With one farmer now producing enough food to feed himself and 77 other people, America is confronted with record surplus crops and commodity prices below the cost of production. We must strive, through innovations like the payment-in-kind crop swap approach and an aggressive export policy, to restore health and vitality to rural America. Meanwhile, I have instructed the Department of Agriculture to work individually with farmers with debt problems to help them through these tough times.

Over the past year, our Task Force on

Private Sector Initiatives has successfully forged a working partnership involving leaders of business, labor, education, and government to address the training needs of American workers. Thanks to the Task Force, private sector initiatives are now underway in all 50 States of the Union, and thousands of working people have been helped in making the shift from dead-end jobs and low-demand skills to the growth areas of high technology and the service economy. Additionally, a major effort will be focused on encouraging the expansion of private community child care. The new advisory council on private sector initiatives will carry on and extend this vital work of encouraging private initiative in 1983.

In the coming year, we will also act to improve the quality of life for Americans by curbing the skyrocketing cost of health care that is becoming an unbearable financial burden for so many. And we will submit legislation to provide catastrophic illness insurance coverage for older Americans.

I will also shortly submit a comprehensive federalism proposal that will continue our efforts to restore to States and local governments their roles as dynamic laboratories of change in a creative society.

During the next several weeks, I will send to the Congress a series of detailed proposals on these and other topics and look forward to working with you on the development of these initiatives.

So far, now, I've concentrated mainly on the problems posed by the future. But in almost every home and workplace in America, we're already witnessing reason for great hope—the first flowering of the man-made miracles of high technology, a field pioneered and still led by our country.

To many of us now, computers, silicon chips, data processing, cybernetics, and all the other innovations of the dawning high technology age are as mystifying as the workings of the combustion engine must have been when that first Model T rattled down Main Street, U.S.A. But as surely as America's pioneer spirit made us the industrial giant of the 20th century, the same pioneer spirit today is opening up on another vast front of opportunity, the frontier of high technology.

In conquering the frontier we cannot write off our traditional industries, but we must develop the skills and industries that will make us a pioneer of tomorrow. This administration is committed to keeping America the technological leader of the world now and into the 21st century.

But let us turn briefly to the international arena. America's leadership in the world came to us because of our own strength and because of the values which guide us as a society: free elections, a free press, freedom of religious choice, free trade unions, and above all, freedom for the individual and rejection of the arbitrary power of the state. These values are the bedrock of our strength. They unite us in a stewardship of peace and freedom with our allies and friends in NATO, in Asia, in Latin America, and elsewhere. They are also the values which in the recent past some among us had begun to doubt and view with a cynical eye.

Fortunately, we and our allies have rediscovered the strength of our common democratic values, and we're applying them as a cornerstone of a comprehensive strategy for peace with freedom. In London last year, I announced the commitment of the United States to developing the infrastructure of democracy throughout the world. We intend to pursue this democratic initiative vigorously. The future belongs not to governments and ideologies which oppress their peoples, but to democratic systems of self-government which encourage individual initiative and guarantee personal freedom.

But our strategy for peace with freedom must also be based on strength—economic strength and military strength. A strong American economy is essential to the well-being and security of our friends and allies. The restoration of a strong, healthy American economy has been and remains one of the central pillars of our foreign policy. The progress I've been able to report to you tonight will, I know, be as warmly welcomed by the rest of the world as it is by the American people.

We must also recognize that our own economic well-being is inextricably linked to the world economy. We export over 20 percent of our industrial production, and 40

percent of our farmland produces for export. We will continue to work closely with the industrialized democracies of Europe and Japan and with the International Monetary Fund to ensure it has adequate resources to help bring the world economy back to strong, noninflationary growth.

As the leader of the West and as a country that has become great and rich because of economic freedom, America must be an unrelenting advocate of free trade. As some nations are tempted to turn to protectionism, our strategy cannot be to follow them, but to lead the way toward freer trade. To this end, in May of this year America will host an economic summit meeting in Williamsburg, Virginia.

As we begin our third year, we have put in place a defense program that redeems the neglect of the past decade. We have developed a realistic military strategy to deter threats to peace and to protect freedom if deterrence fails. Our Armed Forces are finally properly paid; after years of neglect are well trained and becoming better equipped and supplied. And the American uniform is once again worn with pride. Most of the major systems needed for modernizing our defenses are already underway, and we will be addressing one key system, the MX missile, in consultation with the Congress in a few months.

America's foreign policy is once again based on bipartisanship, on realism, strength, full partnership, in consultation with our allies, and constructive negotiation with potential adversaries. From the Middle East to southern Africa to Geneva, American diplomats are taking the initiative to make peace and lower arms levels. We should be proud of our role as peacemakers.

In the Middle East last year, the United States played the major role in ending the tragic fighting in Lebanon and negotiated the withdrawal of the PLO from Beirut.

Last September, I outlined principles to carry on the peace process begun so promisingly at Camp David. All the people of the Middle East should know that in the year ahead we will not flag in our efforts to build on that foundation to bring them the blessings of peace.

In Central America and the Caribbean

Basin, we are likewise engaged in a partnership for peace, prosperity, and democracy. Final passage of the remaining portions of our Caribbean Basin Initiative, which passed the House last year, is one of this administration's top legislative priorities for 1983.

The security and economic assistance policies of this administration in Latin America and elsewhere are based on realism and represent a critical investment in the future of the human race. This undertaking is a joint responsibility of the executive and legislative branches, and I'm counting on the cooperation and statesmanship of the Congress to help us meet this essential foreign policy goal.

At the heart of our strategy for peace is our relationship with the Soviet Union. The past year saw a change in Soviet leadership. We're prepared for a positive change in Soviet-American relations. But the Soviet Union must show by deeds as well as words a sincere commitment to respect the rights and sovereignty of the family of nations. Responsible members of the world community do not threaten or invade their neighbors. And they restrain their allies from aggression.

For our part, we're vigorously pursuing arms reduction negotiations with the Soviet Union. Supported by our allies, we've put forward draft agreements proposing significant weapon reductions to equal and verifiable lower levels. We insist on an equal balance of forces. And given the overwhelming evidence of Soviet violations of international treaties concerning chemical and biological weapons, we also insist that any agreement we sign can and will be verifiable.

In the case of intermediate-range nuclear forces, we have proposed the complete elimination of the entire class of land-based missiles. We're also prepared to carefully explore serious Soviet proposals. At the same time, let me emphasize that allied steadfastness remains a key to achieving arms reductions.

With firmness and dedication, we'll continue to negotiate. Deep down, the Soviets must know it's in their interest as well as ours to prevent a wasteful arms race. And once they recognize our unshakable resolve

to maintain adequate deterrence, they will have every reason to join us in the search for greater security and major arms reductions. When that moment comes—and I'm confident that it will—we will have taken an important step toward a more peaceful future for all the world's people.

A very wise man, Bernard Baruch, once said that America has never forgotten the nobler things that brought her into being and that light her path. Our country is a special place, because we Americans have always been sustained, through good times and bad, by a noble vision—a vision not only of what the world around us is today but what we as a free people can make it be tomorrow.

We're realists; we solve our problems instead of ignoring them, no matter how loud the chorus of despair around us. But we're also idealists, for it was an ideal that brought our ancestors to these shores from every corner of the world.

Right now we need both realism and idealism. Millions of our neighbors are without work. It is up to us to see they aren't without hope. This is a task for all of us. And may I say, Americans have rallied to this cause, proving once again that we are the most generous people on Earth.

We who are in government must take the lead in restoring the economy. [*Applause*] And here all that time, I thought you were reading the paper. [*Laughter*]

The single thing—the single thing that can start the wheels of industry turning again is further reduction of interest rates. Just another 1 or 2 points can mean tens of thousands of jobs.

Right now, with inflation as low as it is, 3.9 percent, there is room for interest rates to come down. Only fear prevents their reduction. A lender, as we know, must charge an interest rate that recovers the depreciated value of the dollars loaned. And that depreciation is, of course, the amount of inflation. Today, interest rates are based on fear—fear that government will resort to measures, as it has in the past, that will send inflation zooming again.

We who serve here in this Capital must erase that fear by making it absolutely clear that we will not stop fighting inflation; that,

together, we will do only those things that will lead to lasting economic growth.

Yes, the problems confronting us are large and forbidding. And, certainly, no one can or should minimize the plight of millions of our friends and neighbors who are living in the bleak emptiness of unemployment. But we must and can give them good reason to be hopeful.

Back over the years, citizens like ourselves have gathered within these walls when our nation was threatened; sometimes when its very existence was at stake. Always with courage and common sense, they met the crises of their time and lived to see a stronger, better, and more prosperous country. The present situation is no worse and, in fact, is not as bad as some of those they faced. Time and again, they proved that there is nothing we Americans cannot achieve as free men and women.

Yes, we still have problems—plenty of them. But it's just plain wrong—unjust to our country and unjust to our people—to let those problems stand in the way of the most important truth of all: America is on the mend.

We owe it to the unfortunate to be aware of their plight and to help them in every way we can. No one can quarrel with that. We must and do have compassion for all the victims of this economic crisis. But the big story about America today is the way that millions of confident, caring people—those extraordinary “ordinary” Americans who never make the headlines and will

never be interviewed—are laying the foundation, not just for recovery from our present problems but for a better tomorrow for all our people.

From coast to coast, on the job and in classrooms and laboratories, at new construction sites and in churches and community groups, neighbors are helping neighbors. And they've already begun the building, the research, the work, and the giving that will make our country great again.

I believe this, because I believe in them—in the strength of their hearts and minds, in the commitment that each one of them brings to their daily lives, be they high or humble. The challenge for us in government is to be worthy of them—to make government a help, not a hindrance to our people in the challenging but promising days ahead.

If we do that, if we care what our children and our children's children will say of us, if we want them one day to be thankful for what we did here in these temples of freedom, we will work together to make America better for our having been here—not just in this year or this decade but in the next century and beyond.

Thank you, and God bless you.

Note: The President spoke at 9:03 p.m. in the House Chamber of the Capitol. He was introduced by Thomas P. O'Neill, Jr., Speaker of the House of Representatives. The address was broadcast live on nationwide radio and television.

Appointment of Richard Schifter as United States Representative on the United Nations Human Rights Commission

January 26, 1983

The President today announced his intention to appoint Richard Schifter to be the Representative of the United States of America on the Human Rights Commission of the Economic and Social Council of the United Nations. He will succeed Michael Novak.

Mr. Schifter is presently a partner in the law firm of Fried, Frank, Harris, Shriver

and Kampelman in Washington, D.C. He was Alternate U.S. Representative for the United Nations Commission on Human Rights in 1981–1982; United States Representative, Committee on Conventions and Recommendations, UNESCO, in 1981–1982; and a member of the President's Task Force on American Indians in 1966–1967. He has also been a member of the United

States Holocaust Council since 1980.

He graduated from the College of the City of New York (B.S., 1943) and Yale Law

School (LL.B., 1951). He is married, has five children, and resides in Bethesda, Md. He was born July 31, 1923.

Nomination of Terrence M. Scanlon To Be a Commissioner of the Consumer Product Safety Commission

January 26, 1983

The President today announced his intention to nominate Terrence M. Scanlon to be a Commissioner of the Consumer Product Safety Commission for a term expiring October 26, 1989. He would succeed R. David Pittle.

Mr. Scanlon has been serving as Chief of the Industry and Technology Division at the United States Department of Commerce since 1981. He was with the International Trade Administration at the Depart-

ment of Commerce in 1980–1981; the Minority Business Development Agency in 1969–1980; the Small Business Administration in 1967–1969; and the White House as a staff assistant in 1963–1966.

He graduated from Villanova University School of Commerce and Finance (B.S., 1961). He is married, has three children, and resides in Washington, D.C. He was born May 1, 1939, in Milwaukee, Wis.

Letter to the Speaker of the House and the President of the Senate Transmitting Proposed Legislation To Designate a Nancy Hanks Center in Washington, D.C.

January 26, 1983

Dear Mr. Speaker: (Dear Mr. President:)

I am forwarding for the consideration of the Congress a draft bill that would designate a “Nancy Hanks Center” in Washington, D.C.

Nancy Hanks served with great distinction as Chairman of the National Endowment for the Arts from 1969 to 1977. She provided wise leadership in defining a proper role for the Federal Government in the cultural life of the Nation and safeguarding the creative integrity of artists and arts institutions against Government interference.

The proposed Nancy Hanks Center would include the Old Post Office Building on Pennsylvania Avenue, the plaza adjoining the building and the public use spaces within the Old Post Office including the

Pavilion and the clock-observation tower. This designation is particularly apt since the renovation of the Old Post Office, its occupancy this year by Federal cultural agencies and commercial enterprises and its exhibits are due in large measure to the foresightedness, persuasiveness, intellect, and vigor of Nancy Hanks. I believe that enactment of this legislation would serve the national interest by honoring one of its superb public servants in a permanent and meaningful way.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.

Question-and-Answer Session With Reporters During a Visit to the OIC/IBM High Technology Training Center in Roxbury, Massachusetts

January 26, 1983

Q. Mr. President, do programs like this need some Federal money as well to get going?

The President. Yes, and this is what we meant last night and what I was talking about, of the using of Federal funds in collaboration with the private sector, with the community and all—and what our job training program is all about, aiming it at areas and aiming it for the jobs that are available and open in those areas. And Boston has become one of the centers of high technology.

Q. You won't be seeking to cut any of this?

The President. What?

Q. You won't be seeking to cut any of this when you freeze the budget?

The President. No, what we originally cut was CETA, but that was more than made up by the private sector. And our own job training program, where we think it is superior to CETA—is that out of CETA on the whole only about 18 cents out of the dollar actually went to training. And our one job program that has already passed, we figure that more than 70 cents out of every dollar is going to go into training. And so, what we've been trying to do is make a change into what we think are more efficient ways to get the job done.

Q. Mr. President, some of the officials here and at the plant, the Digital plant, complain that because of the cuts in things like urban development grants and industrial bonds, that they don't have the resources that they used to have before you came in.

The President. Well, there is one group that had a grant—has a grant still, except that it has never been able to get a client for the building that it wanted to put up here in one of the centers. And under the law, as it was passed, and long before we got there, there comes a time, if they cannot produce a client, in which then that grant is withdrawn. Now, I don't know what the status of it is right now. It has not

been withdrawn as yet.

Q. Mr. President, as you know, you're in an area of high unemployment. And for those who may not have seen your speech last night, what can you tell those unemployed people in this particular area—not in the building, but in the surrounding neighborhood?

The President. What I said last night. And, apparently, in a poll taken after the speech, a great majority of the people believe that we are on the mend.

It is true that in all the recessions we've ever had, the last thing that improves is unemployment. But we have a different situation than maybe some of the previous, or earlier, recessions. This has been coming on for some time. It isn't unique to this particular period. But we have an employment situation that is only part recession. If the recession were ended tomorrow, we would find that in this country there is a need for just what we're seeing here, for retraining, because we're in a great transition period.

There are some people that will never go back to the jobs they had because those jobs will no longer exist. But there will be new jobs. And you—all of you—seem to take it the wrong way when I say it, but, again, let me refer to any Sunday metropolitan newspaper and to peruse the help wanted ads. When I say that you've distorted it somewhat, you've indicated that I'm trying to say that there are people who don't want work. No, it isn't that at all. If you look at them, here, in a time of great unemployment, are employers looking for people to work. And the reason those ads are there is because we still have not met the problem of training people for the job skills that need to be filled, that they're advertising for. In the last 2 years, some 3 million new people entered the job market. They weren't people laid off from other jobs. They are newcomers to the job market. And we have not been producing at the

rate we should the new jobs to take care of that upsurge.

But right here, I've just been handed a message from the computer—the date and then “Good afternoon, Mr. President. Welcome to the High Technology Training Center. America is on the mend. Americans can still pull together for the common good.” That's in quotation marks. I thank you very much. We can. And we're going to.

Deputy Press Secretary Speakes. Thank you, sir. No more questions. I'm sorry. Sam [Sam Donaldson, ABC News], that's enough, please.

Q. But, Mr. President, does it bother you that Democrats are already saying on Capitol Hill they're not going to make the cuts in some of these domestic programs that you asked for last night.

The President. Well, as I said last night, we know it hasn't been easy ever since we've been there. There are going to be legitimate differences of opinion, but we're going to continue to work with them and, as I said, in a bipartisan way.

I was quite heartened by that film they made some weeks ago that they ran right after my speech, because they didn't know what I was going to say in the speech. But they said all the same things in their film that I'd already said in the speech that I wanted. [Laughter] So, maybe, we're going to get along all right.

Reverend Sullivan. I've said to the President that the unemployment is vast and high in our cities. We have hundreds of thousands of people in unemployment lines and on street corners all over this country. We need jobs. And we need training. And we're looking to the Government and to the President to help us get that job done—and the private sector.

The President. Dr. Sullivan started a project of this kind on his own—one man

starting it—and it is spreading all over the country. And as you just heard, these young ladies here are already placed in positions now as a result of this training. And congratulations.

Student. We'd like to keep those programs running so that other disadvantaged people may be able to—

The President. And we are going to.

Reverend Sullivan. We want to expand them, not cut them—expand them to help our people.

Q. Reverend Sullivan, are you satisfied with what the President said in the State of the Union about jobs?

Reverend Sullivan. I always listen and then wait and see.

Q. Sir, is it true that you won't let Mr. Begin come here until he withdraws from Lebanon?

The President. Oh, that's a whole—

Q. There's a story that you won't set a date for his visit until they withdraw.

The President. Sam, there's an answer to that question, but I'm not going to take it now, because I'm only going to talk about computers and young people and jobs today.

Q. But there is an answer. It is either yes or no, sir.

The President. We do our best.

Note: The exchange began at 1:20 p.m. as the President was touring several classrooms in the training center. Among those accompanying the President on the tour was Dr. Leon Sullivan, chairman of the Opportunities Industrialization Centers of America, Inc., whose organization, in partnership with the IBM Corp., opened the training center in Roxbury.

Following his appearance at the center, the President went to the Roxbury plant of the Digital Equipment Corp., stopping briefly at the Eire Pub in Dorchester.

Remarks and a Question-and-Answer Session With Employees at the Digital Equipment Corporation in Roxbury, Massachusetts January 26, 1983

The President. Thank you all very much, and I understand that you even have time in here to do a little art work that—up there. Well, I'm very proud and pleased to be here.

And when you said—about the most powerful nation on Earth, I think we're standing in the midst of part of the reason why it is, what a typically American story this is. Mr. Olsen and two associates 25 years ago started with an idea that now is this company. I can't remember, it was only a few employees that you started with, and it's now 65,000 in all, in all of the various plants of this company.

I know that today—and you probably were too busy last night to look at television, but I was talking a little bit on it—[laughter]—and I was talking about the unemployed that besets our country. But this, this is the future, and you're part of it. This is where we're going.

But now they've told me and they've warned me in advance that I only have a couple of minutes, and then I have to move on to some other things that I'm doing while I'm here. But I just thought—and I probably can't take more than one or two—that there must have been times when you've said, "If I had a chance, I'd like to ask that guy," meaning me—[laughter]. Well, if you did think about it and you've got one, fire away, and I'll try to answer it. Yes.

Q. [Inaudible]

The President. I wish you'd asked an easier question. [Laughter] What is the possibility of making Martin Luther King's birthday a national holiday.

I believe that it is a day that should be nationally recognized. But technically, when you say "national holiday," you are then speaking of a day that closes down industry, and the Government closes down and so forth. And the only one we've really ever done that for nationally of our own country was George Washington. Even Lincoln's birthday—some States recognize it

more specially than others, but it is not that other.

And I know what has caused the problems in the Congress and in legislation with regard to that is, what could be done that would not, at the same time, necessitate that being the kind of holiday where, as I say, that has only recognized one other man, George Washington. And then you would have to ask, "Well, now, wait a minute, great as the service he performed, have we opened the door to many other people?" A Thomas Jefferson, for example, or George Washington Carver and the great contribution he made.

But I'd like to sit down with people that are trying and are doing this drive to find if we can't have a kind of national recognition day that will be an annual observance of the birthday of this man. Because just a few days ago on his birthday, I was talking about him, and I made the statement then that Lincoln freed the black man; Martin Luther King freed the white man. And we didn't know until he did that how heavy the burden of racism was that we had been bearing for all those years. And thank God for what he has done, and he should be remembered.

Q. [Inaudible]

Mr. Gillespie. Can't hear you—

Q. [Inaudible]

The President. We're all having trouble—

Mr. Gillespie. Can't hear you—

The President. I've got the mike, and you haven't got a mike.

Q. She wants applause for America.

Mr. Gillespie. She wants applause for all people working together—[inaudible].

Q. [Inaudible]

The President. Oh.

Q. [Inaudible]—applause.

Q. [Inaudible] [Applause]

The President. When I said earlier that we were standing in the middle of what has made America great, that's part of it. We came from every corner of the world, came

here because our ancestors—some of us came directly, and then some of us by way of our ancestors—but the one common characteristic we have and we've proven to all the world with all their prejudices and their jealousies and their bickerings that go on between ethnic groups and between racial and religious groups—here in this country, yes, we've got our faults and our problems, but we've made it work better than it has ever worked any place in the world. And I think the common heritage of all of us is that somebody in our family—or ourselves, if we're the first to come here—had a little ounce of courage and a love of freedom that made us tear up the roots in the homeland and come here to this place where we could truly be free.

Mr. Gillespie. One more question.

The President. He says I can only take one more question. And I don't know whether I am going to be able to hear that far back.

Q. [Inaudible] Mr. President, what are you going to do about the arms race?

The President. What am I going to do about the arms race? Well, we're going to keep on trying to talk the Russians into meeting us on that. I proposed, last November—or a year ago November—I proposed—to begin with, the Soviet Union has more than—well, about 340 intermediate range nuclear missiles aimed—in Europe. That's why they're called intermediate-range. And they're targeted on all of Europe. And there is nothing there as a deterrent that could fire back, in other words, to keep them from firing in the first place.

And the NATO countries asked us some time ago if we would provide Pershing and cruise missiles in enough number to be based in Western Europe as a deterrent to those weapons. And I proposed, a year ago last November, that we sit down with the Russians and see if we couldn't negotiate a zero option—that they give up all of theirs, and we won't put any in Western Europe—and free that whole area of the world from that threat that is hanging over them.

Now, so far, they've only met us halfway. They're willing for us to have zero. They want to keep on having missiles. We're going to keep on negotiating.

But in addition to that, we have a team in Geneva now that is negotiating, also, a reduction of the great intercontinental ballistic missiles that the Soviets have aimed at us and that we have aimed at them. And we've asked them to join us in cutting way back to below the level we now have—which is much less than they have—and have an equal number, and have it be verifiable, so that we'll know whether each other is cheating or not. And we're continuing with that. But at the same time, we have a third team that is negotiating with them to see if they won't join us in reducing what are called “conventional arms”—just artillery, tanks, things of that kind.

Now, we're going to keep on doing that for just as long as we can keep them at a table, because the goal has to be peace. And yet, the only answer to the threat they pose is a deterrent that, in other words, we have to be strong enough that, until they will join us in disarming, they've got to know that, if they decided to loose those weapons on us, they'd suffer enough damage themselves that it wouldn't be worthwhile. That's the only protection we have against that kind of weapon. And, as I say, we are the ones who've made those proposals.

I think they came to the negotiating table because of our present military buildup—the fact that we showed them—or told them, unless they did join us in disarming, then they were going to have to face the fact that we were going to build our armaments up to the point that we could protect the freedom of the people of this country and of the free world. And once we made that plain, they were willing to come and sit down at the negotiating table.

And I hope they'll meet us in good faith and join us, because this'd be the contribution that this generation of Americans could make to the world that would be remembered for all time to come—if the great nations would begin turning their swords into plowshares.

So, just keep a prayer in your heart for us. We're going to try to do it.

They tell me I've got to quit.

Note: The President spoke at 2:30 p.m. in the assembly line area of the plant follow-

ing a tour of the facilities. He was accompanied on the tour by Kenneth Olsen, presi-

dent of the corporation, and Ralph Gillespie, manager of the Roxbury plant.

Remarks and a Question-and-Answer Session With Members of the Massachusetts High Technology Council in Bedford

January 26, 1983

Mr. d'Arbeloff. This really concludes our presentation, Mr. President. Since we are speaking without the press present, we thought we might have a question-and-answer period. [*Laughter*] And we certainly would be delighted to hear your comments and be, perhaps, responsive to some questions you might have.

The President. Well, that's just fine with me. All right. I see you have a couple of camera clubs, though, that dropped in. [*Laughter*]

No, and I've been most interested in some of the things that were said here and—because of the problems that you mentioned—when you mentioned in education and in the tax structure.

You know that we labor under a political climate that has been made popular over the years in which automatically there is a reaction to a suggestion, such as you made, about capital gains, that this is designed solely to benefit the rich, whoever the rich are supposed to be. We do know that every time that we have made alterations downward in the capital gains tax, the Government has increased its revenues from that tax by making capital gain investments and sales and so forth more attractive than they are. The same is true of some of the other tax things that we believe. And there is a tendency to forget that in the long run it is out of that growing gross national product that every individual and every worker in this country is going to benefit.

I know—I have some figures, not with me here—about several years ago, what had happened when the taxes and the marginal rates were increased, but particularly the capital gains tax, and how in the open market, the money markets, Wall Street, the billions of dollars that had been traded and sold in—well, to capitalize industries

like your own, particularly smaller industries that were getting started, the entrepreneurs and so forth. Within a very few years, just a couple of years at the new higher rates, that had dwindled down to just a few million dollars, \$15 million, I think. And only a couple of those entrepreneur-type companies that had gone to the marketplace for funding.

I think one of the challenges facing all of us on all of this is, there is a great lack of understanding among otherwise well-educated and intelligent people on things of this kind and the marketplace, how it functions and what is required to make it work. And much of what remains is prejudice.

The educational subject that you brought up there and about the higher education, I'm wondering, again, and how do we get at this problem of whether we're getting all that the dollars invested should buy? Because with inflation down to 3.9 percent in 1982, we found there were two areas—one we know of is health care, that was up several times as high in its inflation rate as the national average. Second to it was education, which was increasing in cost in 1982 at somewhere in excess well between 8 and 9 percent, not the 3.9 or even holding down there.

And here again, I wonder—particularly in those tax-supported institutions and those that have government help—have we done the same thing there that we've done to some individuals? Have we become—it's so easy, be dependent on government that business practices that would be absolute imperatives in your own businesses are no longer applying, for example, in that field, to education.

I'm accused of telling anecdotes and so forth, but let me just give one example. While I was Governor of California, I vis-

ited a State-supported institution, higher education. It was up in the north of our State in what you would expect that a school of forestry and engineering and so forth would be the principal functions there. But having been in the business I'd been in before I was Governor, I was proudly shown through their theater arts department. And I was shown their TV studios. They even had a revolving stage so that they could have movable sets and so forth and a shop for building them and a complete theater. And I couldn't resist. I finally said to the man in charge who was so proud of this, I said, "May I tell you that if any of your graduates ever make it big in show business, Broadway, Hollywood, television, they will never again perform in facilities equal to those that you've given them to learn in." [Laughter]

But, well, you said questions, and you probably would rather do that than my just teeing off here on the subjects. So, why don't you begin?

Mr. d'Arbeloff. Okay. Why don't I just ask for some hands in terms of somebody who'd like to—yes, Milt?

Mr. Greenberg. I'm Milton Greenberg, and I'm president of GCA Corporation, Mr. President. Those of us in the high technology industry are very, very worried about the growing sentiment in Congress and amongst our world trading partners about protectionism, the imposition of nontariff barriers, et cetera, et cetera.

As you know, Mr. President, that one of the driving forces behind the growth of high technology industries everywhere, including this country, is our ability to export and to sell in a free and open fashion, based mainly on quality and effectiveness to the consumer, how can we be helpful to your administration to ensure that these markets remain free and open, and even increase for us?

The President. Well, when you put the question as to how you can be helpful, just simply in being supportive of what we're trying to do. We do believe in free trade, but it has to be fair trade, also. And we do know that there is a wave of protectionism. And there are countries that we deal with today that, through various devices—regulations that don't have anything to do with

tariffs—make it very difficult for our products to enter their market.

I think that you're all well aware, as I am, that the high technology field is one in which, while we lead today, we are target for tonight—in the phrases of World War II—that other countries are zeroing in on this market, just as they have previously in other areas. I don't believe that retaliatory protectionism is the answer at all, because every time it's ever been employed, it's a two-way street. And it just ends—it gets down to lesser trade and less jobs and less prosperity.

We have been—it hasn't been widely publicized, because I'm a believer in more quiet diplomacy—but we have had our people on our teams from Commerce and Bill Brock, Ambassador Brock's section, and other levels virtually in constant negotiations with our allies and our friends—both Japan, Europe—on persuading them to join us in a freer marketplace, to get rid of those restrictive regulations that they have. I should think, on the tariff basis, we should have learned our lesson in the Great Depression and the part that was played in that by the Smoot-Hawley tariff bills.

So, anything that you can do to be supportive of us in resisting, which we're going to have to do, I know, in the days ahead—the protectionist wave that is growing in our own Congress—will be beneficial, because, as I say, while we believe in free trade, we are still going to do our utmost to see that it is fair trade. But we don't believe that we can accomplish that by, then, automatically slamming the gates and joining them in protectionism.

Mr. d'Arbeloff. Thank you, sir.

Do we have time for one more question, Mr. President?

The President. Yes.

Mr. Cullinane. John Cullinane, Cullinane Database Systems. Mr. President, I was recently asked to chair a committee in behalf of the Massachusetts High Technology Council on computer literacy, kindergarten through the 12th grade. And more recently, I was asked to chair the advisory committee for Northeastern University's new college of computer sciences. So, many of us were quite interested in your comments last

night about tax incentives or other incentives to parents and the average American in terms of, related to the cost of education and what could be done in that area.

Obviously, jobs are important for these children. And, naturally, the high tech community can benefit from that. And we wonder what your nuances of your program were and what we can do also to help in that particular cause.

The President. Well, we are exploring what we can do to make it possible for more families to contribute to the educational costs. If you look back at the history of the Government getting involved in everything from the work-study program to student loans to guaranteed loans to the outright Pell Grants and so forth—and I know that we've been assailed as trying to cut back on that and in this way we're trying to deprive people that wouldn't otherwise get an education. No, what we were trying to do in whatever cutbacks we made was to see that the money was directed to those people whose family incomes were such that very obviously they could not get higher education without some kind of help.

But the truth of the matter is, as the Government has grown in billions and billions of dollars in these student aid programs, the percentage of family help to students has visibly declined. And the interest rates were higher than they are now. It wasn't hard to discover that some families who could otherwise afford to send their offspring to college were resorting to loan programs, because by borrowing the money at the low interest for a college loan, they could then put that money back in Treasury notes at the same Treasury where they had obtained the loans, at a higher rate of interest, use their own money to send the young people to school. They were making a profit on it. These were the things that we were trying to head off.

But we are studying right now programs that will make it more possible for the family to help. I mentioned one last night. Monday is when we will disclose the budget and what it is that we are proposing. But we do have in mind a program, a savings program in which there will be a tax incentive for people to start saving for their chil-

dren's eventual college education, try and induce them to do that. That, at the same time, will, of course, aid in our amassing of capital, because that money will then be available for investment and so forth as it's put into the savings accounts. We want very much to see that happen.

We also are resisting a tendency that has even been encouraged in many institutions that the student who gets through school on student loans, if they're from the Government, doesn't need to pay them back. As a matter of fact, when I was Governor we even found some institutions that were giving instructions as to how they could avoid paying them back at the same time they were helping them process the loan applications. But this is important, and it must be done.

In connection with this and your remarks about education, I note that all of this and the fine help that you've been given is directed toward higher education. Are we ignoring a problem down at basic education that is a part of our problem, that we have seen it in our military forces. We've seen the high—well, as a mother put it to me one day in a meeting that I had with a group of parents, and she said to me, "Don't talk about busing my child to a school or anything else." She said, "I want my child kept in the class he's in until he learns what he's supposed to have learned in that class, not graduated from that class and pushed into another one because he'd simply come to the end of the term." Now, there's a lot of that going on also in education today.

And then we find that we have to—or have had to in the past—and I think you'll be happy to know that the intelligence level and the capability in that regard of our Armed Forces today is remarkably higher than it has been in past years. But there was a time in which training manuals had to be written down to a reading level that was far down in the elementary grade level, and yet high school graduates were doing this. And, of course, the other thing we do know at the college level is, is there a university today that doesn't have a bone-head English course that freshmen have to take so that they can begin to handle the

studies that they are going to get in, at that higher level? Are we, as I said last night, stopping to think that that child who hasn't had the proper amount of math and science by the time he's 16—which is getting up to 1 year away from high school graduation—they're never going to be able to be a scientist or an engineer or hold the jobs that you'll one day be advertising for.

I recently went through the want-ads in the Los Angeles Times on a Sunday when I was out there on the last trip for the New Year holiday. And I was amazed at the—in the 45½ pages of help wanted ads—that how many of those ads were from companies like your own, in high technology. And they weren't just advertising they had an opening for someone; they were *begging* for people to come in. They were offering inducements: "Please, come take our job rather than another."

This problem confronts us now. I know that I'm preaching sermons here instead of maybe giving specific answers. But we think that we are going to come up with a program that will be helpful and that—making it more possible.

I look back and I feel sorry for some of the young people today, because one of the better jobs I ever had in my life was the job I had working my way through college. I washed dishes in the girls' dormitory. [Laughter]

Have I overstayed my welcome? [Laughter]

Mr. d'Arbeloff. Not a bit. Not a bit, Mr. President. But I do know that your schedule is tight, and I know that you're running late. And I understand that you have some concluding remarks that you would like to make.

The President. Well, I want to thank you and tell how much this entire day has meant to me. I have been in a rarified atmosphere, beginning over there at that wonderful institution, OIC, where I saw those young people learning the computer science and all of these young people who heretofore had been denied the privileges of such things in their surroundings. They told me that they have just graduated 29 of these young people, and 12 of them are already placed in jobs. Four more have just been added to that number and that there

are 10 more who are very likely to get jobs soon.

I've had the privilege of looking into America's future, I think, today, and the future looks good. And I know that you're aware I've given a bedrock speech or two about the principles that we must get back to in our country—reducing tax rates, the growth of Federal spending, reviving the magic of the market, and bringing government closer to the people. The trouble is, sometimes those principles seem about as popular in Washington as mandating a 14-hour workday on Christmas. [Laughter]

I just wish that more people would come here. It wasn't too long ago that your State was known as Taxachusetts. And that social contract that you made that resulted in the more than 60,000 jobs for this State and its place now in the high technology field was the result of some changes in that tax policy. You had a vision; you took action; you turned the situation around. This is a living laboratory of progress and proof that the private sector can work with local governments to solve problems and move America forward.

I'm very impressed that your companies have trained or retrained so many people to produce high-tech products. You're changing people's lives, and that's a wonderful thing to do.

This country was founded and built by people with great dreams and the courage to take great risks. The company that I visited just before this one in the same field of high technology—or in a different field, but high technology—25 years ago was started by three men. And today it's in a dozen countries around the world. It numbers its employees in the more than 60,000, and it does almost \$4 billion in sales a year. Where in the world do things like that happen? But I think that pioneer spirit that we've had is still alive, only it isn't out on the prairie now. It's in institutions such as this.

I understand that a nearby radio station, WFMP and WFGL, launched its own programs to encourage more permanent private sector jobs by offering free advertising to the companies that create those jobs.

Two years ago, I asked our citizens to join together in a national crusade to make

America great again. We've faced some awesome problems. But we've also made real progress in bringing down the crippling interest rates, inflation, and the tax rates that were smothering growth. Our crusade goes forward. We will take new steps to rebuild our country. We're still the technological leaders in the world. And we must not only keep that edge, we must increase it. So, I intend to open a national dialog on how our private sector can export more goods, and create more jobs at home and abroad.

To strengthen our firms to compete more effectively, we need to better mobilize the tools and resources of science and technology. So, let me tell you today, we will soon create a nonpartisan commission on industrial competitiveness. And I'll ask the commission to make specific policy recommendations to me. And I'm asking all of you to lend us your experience, your wisdom, and every bit of energy that you can spare.

Now, another piece of news for you: The budget that I'll be submitting to the Congress next week will reflect two key initiatives to spur research and development. We will propose unprecedented increases in fundamental research, because it offers essential support for our industries and our defense needs. And we will channel this research into the most promising areas—those most likely to extend the benefits of American science expertise to industry.

As you know, research is the wellspring of ideas that leads to new technologies such as the transition and the laser. It's also the— the transistor, I should say. And it's also the key source for the highly trained scientists and engineers that, as I've already mentioned, we will need to lead us into the next century. So, I hope you won't mind it if, during my travels, I become something of an apostle for your success story here.

To get back to the very beginning and a mention that had to do with the tax structure of our country—I realize that there will be a great stirring, and I'll probably kick myself for having said this. But when are we all going to have the courage to point out that, in our tax structure, the corporate tax is very hard to justify its existence; that why isn't the so-called corporate tax simply passed on to the stockholders in

which they then, based on whatever bracket they're in, will pay in individual income tax? And won't this do something about that educational map that we saw up there?

The endowments of institutions—I saw how very slim that one up there was for how much those institutions, higher education gets from endowment. But those are supposed to be tax-free institutions. And much of their endowment is invested out there in industrial America. But if they're tax free, aren't they paying a 46-percent tax rate before they get the results, the dividends that they get from the holdings that they have? And, thus, wouldn't it be more fair to them, wouldn't it be more fair to the labor union pension funds invested in that same industry if they got, as dividends—and they wouldn't have to pay tax on it because they are tax free. But other individuals, it wouldn't be a loss to the Government. I think there would be a net gain to the Government all the way around if we would look at that instead of sticking with what is literally a myth about corporations and what the taxing policy should be. [Applause]

I'll remember your applause when the press keeps questioning me for days now about that. [Laughter]

Mr. d'Arbeloff. Mr. President, it's interesting that some of the members of the American Business Conference have been really studying the issue that you addressed, in terms of corporate taxes and the cost of capital in this country. And I can assure you that your announcement of establishing a commission is very exciting to us. And ABC, the growth companies of this country, are going to be more than willing to help you.

The President. Thank you.

Mr. d'Arbeloff. Mr. President, I thank you so much for accepting my invitation. And you were so gracious to be here at Millipore.

The President. Well, I am most pleased to be here, believe me.

Note: The exchange, which began at 3:47 p.m., followed a presentation by Dmitri d'Arbeloff, chairman of the Millipore Corp., as well as remarks by other members

of the council. The exchange was held in the cafeteria of the Millipore Corp. building.

Following his meeting with the council, the President met with Massachusetts Reagan-Bush supporters at the building.

Question-and-Answer Session With Reporters on Proposed Changes in the Corporate Income Tax

January 26, 1983

Q. Is this your idea about the income tax, too—the corporate income tax?

Q. Yes, about the corporate income tax.

Q. About the corporate income tax.

The President. What?

Q. [*Inaudible*]-the corporate income tax.

Q. [*Inaudible*]-the Massachusetts State Police could move so we can—

Unidentified speaker. [*Inaudible*]-can't go behind the President.

The President. I said that you'd all be asking about it.

Q. Tell us about it.

The President. But I also said that it was some time when everybody has got to be more reasonable, that we could look at that and investigate as to whether it is an advantage or not.

Q. Well, I thought you wanted to be fair last night in your speech. How is this fair—[*inaudible*]?

The President. Because corporations are owned by people. And instead you would take those profits and that money and give it to the shareholders, and they would pay the tax as individuals.

Q. Do you want to abolish it, then?

The President. What?

Q. Abolish the corporate tax.

The President. I said it was something that we ought to look at, because there isn't really a justification for it.

Q. Those stockholders—[*inaudible*].

The President. Yes, but before they get it, they're entitled as owners to the entire profit. Before they get it, it is taxed at a corporate rate. Now, maybe some of those shareholders are not in as high a rate as the corporation.

Q. [*Inaudible*]

The President. No, I said it was something to study and look at.

Q. We'll ask you once again—

The President. I know you will.

Q. Stay the course.

The President. You should have taken some lessons from those kids over there at that plant. They asked good questions.

Q. Thank you.

Note: The exchange began at approximately 4 p.m. as the President was leaving the Millipore Corp. building to return to Washington, D.C.

As printed above, this item follows the text of the White House press release.

Statement on the Death of Paul “Bear” Bryant

January 26, 1983

Today we Americans lost a hero who always seemed larger than life. Paul “Bear” Bryant won more college football games than any other coach in history, and he made legends out of ordinary people. Only 4 weeks ago, we held our breath, then cheered, when the “Bear” notched his final

victory in a game named, fittingly, the Liberty Bowl.

He was a hard, but loved taskmaster. Patriotic to the core, devoted to his players, and inspired by a winning spirit that would not quit, Bear Bryant gave his country the gift of a life unsurpassed. In making the

impossible seem easy, he lived what we strive to be.

Note: Mr. Bryant, 69, died in Tuscaloosa, Ala., following a heart attack. He had recently retired as head coach of the Universi-

ty of Alabama football team.

On January 28 the White House announced that the President had asked Coach George Allen to be his personal representative at the January 28 funeral services for Mr. Bryant in Tuscaloosa.

Message to the Senate Transmitting an Amendment to the Protocol to the Convention on International Expositions

January 27, 1983

To the Senate of the United States:

I transmit herewith an amendment to the Protocol of November 30, 1972 (TIAS 9948) to the Convention of November 22, 1928 concerning International Expositions (TIAS 6548, 6549) with a view to receiving the advice and consent of the Senate to its acceptance.

The purpose of the amendment is to permit France to commemorate the French Revolution in a universal exposition at Paris in 1989, and the United States and Spain to commemorate the discovery of the Americas in a two-site universal exposition at Chicago and Seville in 1992. The present provisions of the Protocol do not permit the holding of a universal exposition in 1992

and another universal exposition only three years earlier in 1989. A minimum interval of seven years is required by the Protocol.

I submit herewith the Report of the Secretary of State on the amendment.

I strongly support the holding of a universal exposition to commemorate the discovery of the Americas and have previously designated Chicago as the site in the United States for that purpose. I recommend that the Senate give prompt consideration to the amendment and advice and consent to its acceptance.

RONALD REAGAN

The White House,
January 27, 1983.

Letter to the Speaker of the House and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

January 27, 1983

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with the provisions of Public Law 95-384, I am submitting the following report on progress made during the past 60 days toward reaching a negotiated settlement of the Cyprus problem.

The intercommunal negotiations between Greek Cypriot and Turkish Cypriot representatives recessed from December 4 until mid-January, a period during which the United Nations Secretary General's Special Representative, Ambassador Gobbi, visited New York and Geneva on U.N. business.

On December 1, U.N. Secretary General Perez de Cuellar submitted his latest semi-annual report on Cyprus to the Security Council. In the report, a copy of which is attached, the Secretary General reviews progress in the peacekeeping operations of UNFICYP and in the parallel humanitarian assistance programs. He also reports the intercommunal negotiations continue to focus on the "evaluation" previously submitted by Ambassador Gobbi to the two sides. This approach, the Secretary General reports, is the best means available to provide a

“structured, substantive” method of discussing the differences. He states further that the discussions “remain cooperative and constructive” and that the interlocutors, having essentially completed discussion of constitutional issues, will now focus on territorial matters. Perez de Cuellar observes that the task of developing “an overall package deal” should be undertaken soon in the talks and that he is confident that, “with the political will” on both sides, such a package can be accomplished.

Subsequent to the Secretary General’s report, on December 14, the Security Council voted unanimously to extend the mandate of the U.N. forces in Cyprus until June 15, 1983.

We fully concur with the Secretary General’s assessment. We remain in very close touch with him, his staff, and, in particular, with Ambassador Gobbi. During the period

the Special Cyprus Coordinator, Christian A. Chapman, visited New York twice to discuss the situation with senior U.N. officials. At present we, the U.N. officials, and the parties to the negotiations doubt much progress can be made during the present electoral campaign in Cyprus. The possibilities for progress should improve, however, after the February 13 election.

This Administration continues strongly to support efforts to find just and lasting solutions for the serious problems facing the people of Cyprus.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O’Neill, Jr., Speaker of the House of Representatives, and Charles H. Percy, chairman of the Senate Foreign Relations Committee.

Message to the Congress Transmitting Amendments to the International Regulations for Preventing Collisions at Sea, 1972 January 27, 1983

To the Congress of the United States:

Consistent with the International Navigational Rules Act of 1977 (Public Law 95-75; 33 U.S.C. 1602), I transmit herewith Amendments to the International Regulations for Preventing Collisions at Sea, 1972, adopted at London November, 1981. The International Regulations for Preventing Collisions at Sea, 1972 (72 COLREGS), done at London October 29, 1972, were signed by over 50 contracting parties to the International Maritime Organization (IMO). The 72 COLREGS entered into force worldwide on July 15, 1977, and replaced the 1960 Collision Regulations. During the past five years, the 72 COLREGS have served well to avert collisions at sea. Nevertheless, experience indicated that some clarifications were desirable. Consequently, rather than formulate new regulations, the Sub-Committee on Safety of Navigation of IMO’s Maritime Safety Committee proposed a group of 55 amendments to clarify the ex-

isting regulations. While the amendments do have substance there are no major changes to the regulations. Many of the amendments relax lighting requirements, particularly for smaller vessels. Other amendments simply clarify wording.

The same year that the 72 COLREGS entered into force, the Secretary of Transportation formed the Rules of the Road Advisory Committee (RORAC).

The primary purpose of this committee was to formulate unified rules for our inland waters. Rule 1(b) of 72 COLREGS states:

“Nothing in these Rules shall interfere with the operation of special rules made by an appropriate authority for roadsteads, harbors, rivers, lakes or inland waterways connected with the high seas and navigable by seagoing vessels. *Such Special Rules shall conform as closely as possible to these Rules.*”

With this goal in mind, RORAC recommended that the rules be enacted into law by the Inland Navigational Rules Act of 1980 (Public Law 96-591). Four very important accomplishments of this Act were:

- A. Our inland rules were modernized;
- B. they were unified;
- C. they were brought into conformity with 72 COLREGS; and
- D. having anticipated the 55 amendments to 72 COLREGS, many of these amendments were written into our own rules.

Consequently, when the 72 COLREGS amendments become effective, our own rules will conform more closely to international regulations than they do at present. It

is apparent from examining our rules closely, that RORAC and the Congress, in supporting the Inland Navigational Rules Act of 1980, fully supported the COLREGS amendments being submitted. It is of note that no country has deposited an objection with IMO to any of the 55 amendments, and none are anticipated.

In the absence of a duly enacted law to the contrary, I will proclaim that the amendments will enter into force for the United States on June 1, 1983.

RONALD REAGAN

The White House,
January 27, 1983.

Remarks of President Reagan and President Hosni Mubarak of Egypt Following Their Meetings *January 27, 1983*

President Reagan. President Mubarak and I have just had a comprehensive and a useful discussion, first in our office and then over lunch. And, as might be expected given our full partnership in search for regional peace and security, there was broad agreement on the critical issues facing us in the Middle East and in Africa.

We reviewed the situation in Lebanon, and I assured President Mubarak of my determination to support the territorial integrity, the independence, and the sovereignty of Lebanon to the end. And to that end, there must be early withdrawal of all foreign forces.

We also discussed the urgent need to achieve a comprehensive peace settlement for the Middle East which would permit all the states in the region to live in peace, while meeting the legitimate rights of the Palestinian people. In that regard, I thanked President Mubarak for his support of my September peace initiative and promised to work closely with him to expand the peace process.

On Africa, I reaffirmed our support for Egypt's constructive efforts as the leading African power to promote the stability and

development of African countries and institutions.

On the bilateral questions, I reiterated the importance of our economic and military assistance for Egypt and assured the President that our assistance will complement his economic policy and development priorities.

Specifically, we wish to support the priorities of the new Egyptian 5-year plan, with emphasis on the increasing agricultural and industrial productivity and the rehabilitation and expansion of the water and related disposal systems in Egypt's major urban centers.

In response to President Mubarak's request for more flexible economic assistance, our ministries will work together to find ways and means for rapidly dispersing such assistance. We also will explore with the Congress the ways to permit some reprogramming of funds to high priority areas.

President Mubarak's visit, the second since he was elected to office, emphasizes the special nature of our relations with Egypt and the importance I assign his friendship and wise counsel.

Our two countries share a common dedi-

cation to building in the Middle East something that is peaceful and prosperous and secure from outside intervention. The Egyptian-American full partnership has accomplished much toward the realization of that ideal. We will continue to build on our record of accomplishment, and I look forward to working with our friend, my friend, President Mubarak, toward that end.

And welcome to our country once again.

President Mubarak. Thank you, Mr. President.

I was very pleased to meet again with my friend, President Reagan, and to pursue our discussions of issues of mutual concern. As the President just stated, we had an opportunity to review the situation in the Middle East with a view of enhancing the prospects for peace and stability in that troubled region.

We focused on the situation in Lebanon and the negotiations on the Palestinian question. I welcomed President Reagan's assurances of the U.S. determination to continue to play the role of the full partner in the peace process. I also welcomed his reaffirmation of the United States commitment to support the territorial integrity, independence, and sovereignty of Lebanon.

The time factor is crucial to the success of our endeavors. Top priority must be given to reaching agreement on the withdrawal of Israeli forces. Upon achieving that, other aspects of the problem would be easier to solve.

We have always seen the necessity to make meaningful progress towards a comprehensive settlement. In this respect, the centrality of the Palestinian problem in the entire dispute becomes self-evident. With this in mind, we supported President Reagan's initiative on September 1st, 1982. We earnestly hope that the weeks ahead will witness movement towards the negotiating table by all the parties concerned.

I am pleased to say that I was encouraged by what I heard from King Hussein of Jordan and the Palestinian leadership, together with several other Arab leaders. I believe that a golden opportunity exists, and it would be a grave mistake to miss it.

I also believe that the peace process

would be enforced if the United States moves further in the direction of supporting the right of the Palestinian people to self-determination.

We agreed that the Israeli settlement policy is a serious obstacle to peace. Therefore, efforts must be exerted to bring about a total freeze of settlement activities.

I discussed with the President certain aspects of the war between Iran and Iraq and the need to exert additional efforts for the purpose of achieving an immediate termination of hostilities.

On bilateral matters, we discussed issues related to economic and to military cooperation. I expressed to President Reagan our gratitude to the American people for their unwavering support. This will enhance our ability to cope with the economic problems we are confronting. The United States has proven it is a real and reliable friend. We are determined to deepen that friendship and intensify our cooperation.

Thank you.

Q. Mr. President, have you changed your mind about corporate taxes?

The President. I said yesterday that I would kick myself for saying that. I have. [*Laughter*]

Note: President Reagan spoke at 1:28 p.m. to reporters assembled at the South Portico of the White House.

Earlier in the day, the President met with President Mubarak in the Oval Office. Participants in the meeting included, on the American side, the Vice President, Secretary of State George P. Shultz, Assistant to the President for National Security Affairs William P. Clark, and Ambassador Philip C. Habib, the President's Special Representative for the Middle East, and, on the Egyptian side, Deputy Prime Minister Kamal Hasan 'Ali, Minister of State for Foreign Affairs Butrus Butrus Ghali, and Egyptian Ambassador to the United States Ashraf 'Abd al-Latif Ghorbal.

The two Presidents then went to the Cabinet Room for a meeting with an expanded group of their advisers. The meeting was followed by a working luncheon in the Residence.

Statement on Amendments to the Gun Control Act of 1968 January 27, 1983

Since its inception, this administration has been committed to removing unnecessary and burdensome Federal redtape. We are also committed to the idea that it is the criminal who is responsible for violence and crime, not the law-abiding firearms owner. Accordingly, my administration has sought to remove those restrictions that operate only to burden the law-abiding and to concentrate law enforcement resources upon criminals.

I was pleased, therefore, to sign into law two amendments to the Gun Control Act of 1968 which remove the recordkeeping requirement on sales of .22 rimfire ammunition. Prior to this, dealers were required to verify and record the identity, birthdate, and ammunition type for most retail ammunition sales. Since several billion rounds of

ammunition are sold to sportsmen and sportswomen each year, a tremendous amount of time and paperwork was involved in recording these sales. Yet there was little evidence that these recordkeeping requirements were of significant use in solving crimes.

These amendments will remove needless recordkeeping requirements for the most popular sporting ammunition, the .22 rimfire, and thus eliminate the paperwork on over a billion rounds annually.

Note: The amendments are contained in H.J. Res. 631, which provided for continuing appropriations for fiscal year 1983. As enacted, H.J. Res. 631 is Public Law 97-377, approved December 21, 1982.

Remarks at a Reception Honoring Richard Richards, Chairman of the Republican National Committee January 27, 1983

The President. Say, you're here from all over, aren't you? Thank you. Thank you for a very—

Audience member. [Inaudible]—in Boston.

The President. What?

Audience member. We love you in Boston.

The President. Thank you. And I want to tell you, for one of us to get loved in Boston—[laughter]—takes some doing.

But I want to thank you very much. You aren't by any chance Republicans, are you? [Laughter] I knew I was among friends. But I dropped by to say a few words, if I could, about a personal friend of mine and of the GOP as well.

You know, Robert Louis Stevenson once said that a friend is a present you give yourself. And in Dick Richards, I think we've given ourselves quite a gift, a very good friend.

Back in '76 when we had an incumbent President and I happened to be a challenger, Dick was the State chairman in Utah. And he put himself on the line, becoming the first State chairman to endorse me. I've never forgotten the courage and conviction that it took to do that, and, Dick, I want you to know that I'll always be grateful.

But Dick is not just a friend. As head of the RNC, he's been a friend of all Republicans. During his tenure as Chairman, he's devoted himself to raising money and providing expertise for our cause and our candidates. And during his tenure, the RNC subsequently raised more money than at any other time in Republican Party history.

He also devoted himself to—[applause]—and he deserves that. He also devoted himself to fortifying our country and our—our county and our State organizations, I should say. He created a labor advisory board, opening channels to organized labor,

and he made real progress in recruiting and financing qualified minority candidates. And, Dick, that's a record which honors you personally, but I think, also, all of us take pride in it. Now—[*applause*—yes, you can.

But now, about the new leadership—Paul Laxalt has agreed to serve as a General Chairman and to help coordinate the activities of all the Republican committees. And Frank Fahrenkopf will serve as Chairman of the RNC, and we look forward to working with Frank as he discharges the historic responsibilities of that chairmanship.

And if I can, I'd like to give a more upbeat prognostication about our party's future than some of those you may have been hearing or reading in certain newspapers that just want to be coldly calculating about us.

I think our party's going to be in good shape by 1984, despite what you read in the paper. We'll do well because of what you might call the "Republican strategic triad." That's fundraising ability, nuts and bolts organization, and talented candidates. And let me say the issues, also, will start to break our way as the economy improves and many of our problems will begin to correct themselves. We're going to have a good record to run on in 1984. And as just an indication of that, General Motors has just announced that over the next 3 months they're recalling 21,400 of their indefinitely laid off because of their—[*applause*]. There will be a fight in town to take credit for that one. [*Laughter*]

But I think we've made a solid beginning on the difficult tasks of giving the government back to the people, a healthy economy back to free enterprise, and a strong defense back to the free world. Incidentally, I can't give you the figures on this, but tomorrow morning the economic indicators will be released, and there will be some good news tomorrow morning on that, too.

Now, again, I want to thank Dick for his role in helping us to move closer to our

dreams, and I want to thank all of you here today, as well. If it weren't for you, there wouldn't be a Republican Party. And I think now I've said enough, except just a heartfelt thank you and God bless you to all of you for being here, and don't let—

Audience member. [*Inaudible*]

Audience. [*Chanting*] Four more years!

The President. You know I can't answer that. Listen, if you—

Audience. [*Chanting*] Four more years! Six more years! Four more years!

Mr. Richards. Ladies and gentlemen, thank you very much. [*Laughter*]

Audience member. Hang in there, Ronnie.

Mr. Richards. Mr. President, I believe that you are the best thing the Republican Party has going for it today—

Audience member. No doubt about it.

Mr. Richards. —and we all want you to know that we're proud of you and the great leadership that you have given to this country, and each of us pledge our continued support for you and what you're trying to do to lead America back to greatness. Thank you very much for being with us tonight.

Mr. Fahrenkopf. I would just ask before we have the President come down and meet with some of you that we all give Dick Richards another hand for the great job he did for this committee. [*Applause*] And, Mr. President, on behalf of the continuing Republican National Committee for the next 2 years, we want to at this time urge you and Vice President Bush to seek reelection, and you have our support all the way.

The President. You know I can't answer that now, but thank you very much.

Note: The President spoke at 5:35 p.m. in the International Ballroom at the Washington Hilton Hotel. The reception was part of the regular midwinter meeting of the committee.

Remarks at a Tribute to Andrew W. Mellon at the National Gallery of Art

January 27, 1983

Trustees of the National Gallery, Mr. Chief Justice, members of the Cabinet, Members of Congress, distinguished guests:

I will not speak as long as I did in the State of the Union address. [*Laughter*]

Nancy and I are pleased to be here to honor Andrew Mellon and to celebrate another milestone in the realization of his vision of a national gallery of art—an American gallery, created for the enrichment of all the people of the United States and second to none in its commitment to excellence.

Tonight we inaugurate some 40,000 square feet of new gallery space. It's a great privilege for me to share in this. President Roosevelt accepted the original gifts of the west wing—or the West Building, and Mr. Mellon's collection in 1941. And President Carter accepted the East Building in 1978. It's taken 42 years, but now a Republican has a chance to share in the fun. [*Laughter*]

The man we honor tonight, Andrew Mellon, contributed so much—as a captain of finance and industry, as a highly principled public servant, and—which is the reason we remember him this evening—as an individual whose dedication to the arts still enriches the people of the United States. In business, he contributed to the great industrial expansion that provided the American people with the bounty of freedom and wealth the world had never known. His personal commitment to the arts added a further dimension of meaning and beauty to the liberty in which he believed so deeply.

Mr. Mellon's philanthropy was not—as some would have us believe—a rare exception. It was and is a vital part of the American character. From our earliest days, the arts in America have depended on this generosity and, yes, on the appreciation of the cultural underpinnings of our society. Our country has been blessed with great patrons like Andrew Mellon, but also with millions of less wealthy Americans who give what they can in order to elevate the cultural

level of their community and of their country.

We can all be proud that in 1981, the most recent figures available, Americans contributed a recordbreaking \$3.35 billion to cultural institutions and organizations. It represents an increase of 13.2 percent from the year before.

Americans, more than any other people, have always understood the relationship between personal freedom and individual responsibility, something which is especially true in the arts. However, we have enjoyed our cultural freedom for so long that sometimes some of us may take it for granted.

A group of young Americans were touring Latvia a few years ago. They were given an opportunity to visit with a local artist. And this painter, careful with her words because she was speaking through a government interpreter, suggested that the artist fared better under communism because the system demanded quality before an artist's work could be shown, thus preventing an undeveloped artist from ruining his or her reputation. This painter, for example, said she had worked hard and was soon to be permitted a showing in Moscow. And she pulled out some examples of her work. And, as is so often the case with Socialist realism, her work lacked a certain personality and feeling.

Before the young Americans could leave, however, this artist insisted that they see some of the examples of her earlier work, before her skills had matured enough for a showing in Moscow. And she removed from her closet some photographs of her earlier paintings, paintings that were alive with expression, reflecting warmth and vitality. She had given those young Americans a message without ever saying a negative word about artistic freedom under totalitarianism.

The National Gallery, as was Mr. Mellon's wish, has gone to great lengths to prevent political interference with its decisions. We can all be grateful that God provided this country with leaders who loved culture and

also loved liberty, as exemplified by Andrew Mellon. And tonight I would like to take an opportunity to thank his son, Paul Mellon, for all he's doing for the arts and for what he has done for the National Gallery.

I understand that at today's meeting the trustees accepted the extraordinary gift of paintings, sculpture, and graphic art that we've seen, from Paul Mellon. Well, I, too, am proud to accept this gift on behalf of the people of the United States.

Paul, it would be inappropriate to say that you're following in your father's footsteps, because you're leaving some mighty big footprints of your own. Of course, one would expect nothing less from an old horse cavalryman like yourself. And you can take that from an old horse cavalryman himself. *[Laughter]*

Seriously, though, the work that you're doing, like the generous contributions of so many here tonight, is something for which all of you can be rightfully proud.

Andrew Mellon's original gifts, his collection and the funds for the gallery, were made on the condition that the gallery would not bear his name, but the name of the Nation instead. He knew well that a country is as refined and decent as its people. Our cultural future, as it should be, is not in the hands of a minister or commissar of arts but, instead, is dependent on farsighted men and women who are dedicated to the cultural betterment of America—people who yearn to share their love of art with their fellow citizens and take it

upon themselves to do what is necessary for cultural and artistic advancement.

Early in our Republic, our country was often referred to as a new Athens. Many basic ideals of democracy can be traced back to that ancient city-state, a city with elections and an open marketplace called an agora; a city, a gathering center for mankind where intellectual and artistic creativity reached new heights—left artistic treasures that speak to us through the ages. Today we should all be grateful to citizens like Andrew Mellon who left, as did the Founding Fathers, a legacy like that of Athens which will speak to mankind for a thousand years.

I don't know that it was Athens, but I do know that there was a Greek city-state back in that time that had a custom that has intrigued me very much. When a citizen had a proposal to make for a government program, he made it standing on a chair with a noose around his neck. *[Laughter]* And if the people liked his proposal, they removed the noose; if they didn't, they kicked the chair. *[Laughter]* I don't suppose we could institute that. *[Laughter]* We'll stick with the arts and the other democratic ideals.

But I thank you for letting me be a part, and Nancy be a part, of your efforts in behalf of the National Gallery of Art. Thank you all, and God bless you.

Note: The President spoke at 10:32 p.m. in the West Building of the National Gallery of Art.

Proclamation 5017—National Day of Prayer, 1983 *January 27, 1983*

*By the President of the United States
of America*

A Proclamation

Prayer is the mainspring of the American spirit, a fundamental tenet of our people since before the Republic was founded. A year before the Declaration of Independence, in 1775, the Continental Congress

proclaimed the first National Day of Prayer as the initial positive action they asked of every colonist.

Two hundred years ago in 1783, the Treaty of Paris officially ended the long, weary Revolutionary War during which a National Day of Prayer had been proclaimed every spring for eight years. When peace came the National Day of Prayer was

forgotten. For almost half a century, as the Nation grew in power and wealth, we put aside this deepest expression of American belief—our national dependence on the Providence of God.

It took the tragedy of the Civil War to restore a National Day of Prayer. As Abraham Lincoln said, "Intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God that made us."

Revived as an annual observance by Congress in 1952, the National Day of Prayer has become a great unifying force for our citizens who come from all the great religions of the world. Prayer unites people. This common expression of reverence heals and brings us together as a Nation and we pray it may one day bring renewed respect for God to all the peoples of the world.

From General Washington's struggle at Valley Forge to the present, this Nation has fervently sought and received divine guidance as it pursued the course of history. This occasion provides our Nation with an

opportunity to further recognize the source of our blessings, and to seek His help for the challenges we face today and in the future.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim Thursday, May 5, 1983, National Day of Prayer. I call upon every citizen of this great Nation to gather together on that day in homes and places of worship to pray, each after his or her own manner, for unity of the hearts of all mankind.

In Witness Whereof, I have hereunto set my hand this 27th day of Jan., in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:22 a.m., January 28, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on January 28.

Remarks at a Meeting of the National League of Families of American Prisoners and Missing in Southeast Asia January 28, 1983

George Brooks, Ann Griffiths, members of the board, and the family members, and Members of Congress:

I think most of you know that during the course of any given day, we meet with an assortment of groups who represent a cross section of interests and causes. None of those meetings are routine, but I must tell you that this meeting today is more than special.

The anguish you've suffered—the families of brave men of listed prisoners of war or missing in action—the misery and anguish is unspeakable, something the rest of us can really never know even in a partial measure. Twelve years ago, I said something to a group of you in California that I believe is even more true today: If they could be here

today, millions of Americans, from every corner of this land, who have only a glimmer of your pain, would say to you, "We want with all our hearts to share your burden."

And what a burden you've had to bear. You watched as we disengaged from Vietnam, and many of our prisoners of war returned for an emotional homecoming. You've seen task forces and committees hold hearings and issue reports that attempted to foreclose hope. But as the tragic flow of refugees from Indochina began a few years ago, those columns of humanity who had suffered hunger and thirst and disease and piracy brought with them firsthand, "live sighting" reports of American prisoners held captive after 1973. As this

information was investigated, respected figures in the intelligence community reached personal conclusions that these reports were credible, even though the circumstances of the sightings prevented confirmation.

But with these refugees and the news they brought, another tragedy was unfolding here at home. You, the families of our missing men, were trying to be heard, and yet you were sometimes unfairly and cruelly branded as emotionally distraught groups that ignored reality and simply hoped against hope.

Government and public attention began to wane. And instead of being a full partner with your government in attempts to learn the fates of loved ones, you were confronted with legal rulings that presumed the loved ones were dead. You found yourselves quite literally on the outside, driven in some cases to demonstrate for attention in front of the White House gates.

Well, today I want you to know that your vigil is over. Your government is attentive, and intelligence assets of the United States are fully focused on this issue. Furthermore, I pledge to you, we will take decisive action on any live sighting report that can be confirmed.

We're also working to achieve the accounting of our missing men. I'm sure you understand that some of these approaches must be done quietly. As Judge [Assistant to the President for National Security Affairs William P.] Clark told you yesterday, despite the differences between our governments, we have followed up encouraging Lao response to the recent visit by the league's delegation. We are fully prepared to take additional, concrete steps with the Lao Government to improve relations. I pledge to you that the progress on the POW-MIA issue will be the principle measure of their sincerity. I wish to recognize publicly their positive steps to date and call upon them to continue with us in this humanitarian effort to end the years of uncertainty that you have endured.

I also called on the government in Hanoi to honor their pledges to the American people on the POW-MIA issue—not for me, not for our government, but for our missing men and those of you who did nothing to deserve the terrible emotional ordeal that

you've endured.

Now, these steps are an indication of how things are changing for the better, and how the work of those of you in the National League of Families has helped bring about this change. You are the ones who have forged a partnership to realize our common quest: the return of all POWs, the fullest possible accounting for the still missing, and the repatriation of the remains of those who died serving our nation. The myth that this effort is partisan or needlessly raises your hopes has now been dashed.

The government bureaucracy now understands that these goals are the highest national priority, and there is strong, bipartisan support in the Congress. Those Americans who attempted to discharge government responsibilities through private efforts should now understand that the full resources of our government are now committed to these goals.

Today is a time for remembering many—the private donors, the Congressmen, and the government employees—all those who are dedicated to organizing and supporting a variety of projects to achieve our goals. Because of the very nature of the work, they must shun publicity. But I want them to know that their quiet and responsible efforts represent the highest patriotic, humanitarian values. I urge them to continue on with their work, regardless of the obstacles and frustrations, for the return home of only one of our men will be a personal reward of far greater value than any words spoken here today.

But beyond all this, I've mentioned that there are, of course, those of you here today. Today, this is a room of heroes who kept a vigil of unprecedented faith and devotion. Through all the years of heartbreak and mistrust, you have been the ones who have cared. You are the ones who asked for justice—for deeds, not words.

The membership of the National League of Families, past and present board members, and your national office staff deserve the gratitude and accolades of this nation. And I think I should mention other individuals who share our goals, such as Fred Travalena, a returned POW, Captain Jerry Coffee, who have also given without regard

to personal gain.

So all of us can be gratified that progress is being made, but never satisfied. We need greater public awareness from the American people. So, I ask each American who hears or reads of this to find a way to help. No matter how small each individual effort may seem, it is needed.

I ask, too, that you continue to provide us with positive suggestions through your Washington office. We welcome and solicit your help and cooperation, as well as the criticism when you feel we deserve it. It's possible there will be differences from time to time on tactics and strategy, but I repeat: We are heartfelt allies and friends. Our goals are the same.

The Government is large. It's possible sometimes you'll hear voices that will sound contradictory or insensitive, but we're doing what we can to eliminate that. So, please, don't let it shake our larger faith. Only if we're united, only if we have faith in each other can we finally hope to end the tragic ordeal that you've endured with such steadfast and wondrous courage.

I know I've spoken before and told of when the POWs did return immediately after the agreement. Nancy and I were fortunate enough—I was Governor, then, in Sacramento—to have several hundred of them, not all at once, of course—couldn't get them in—but in groups, in our home. One who is here at this table this morning was one of those. We heard such stories. We saw then such courage. And one night, afterward, I said to Nancy, "Where did we find such men?" And the answer came almost as quickly as I'd asked it. We found them where we've always found them—on the farms, in the shops, in the offices, on the streets, in towns and cities in America, and farms. They're just the product of the greatest, freest system man has ever known.

Speaking for Nancy and myself, you and they will be in our prayers. God bless you all.

Note: The President spoke at 9:49 a.m. at the Hyatt Regency Hotel in Crystal City, Va. The special meeting of the league marked the 10th anniversary of the Paris peace accords.

Question-and-Answer Session With Newspaper and Magazine Columnists on the Fiscal Year 1984 Budget

January 28, 1983

The President. Listen, please, sit down. Get at your dessert. I have a—is this your seat or mine?

Ms. Small. That's yours, sir. [Laughter]

The President. This is my seat?

Q. That's yours, sir.

The President. I have a horror of people that interrupt dessert. [Laughter] Having been on the meat-and-potato circuit for so many years, and I'm a dessert man, usually that fellow stands up there and starts introducing you just about the time they put the dessert down. And you stand there talking and looking down at it as it melts. So, eat.

Q. Mr. President, are you a football fan?

The President. Yes. I haven't been able to pay as much attention to it as I would like, but, yeah, I played the game for 8 years

and broadcast it for another 5 on radio.

Q. Any prediction for Sunday?

The President. What?

Q. Any prediction for Sunday?

The President. When I used to be broadcasting and people would ask me that, I would quote Bob Zupke, the coach of Illinois, that a football bounces funny. [Laughter]

Q. Will you be sending in a play?

The President. Pardon?

Q. Will you be sending in any plays?

The President. No, no. No plays will go in from me. Except I've been amazed this year—proving again that there's nothing new, not even in football—I was amazed to see the sensational flea-flicker play being used again at every level from colleges to

the pros. And I remember that that same Bob Zupke had that play way back in the twenties for the University of Illinois. And it worked then, too.

Maybe the single wing can't be far behind. Maybe the single wing'll be coming back soon. *[Laughter]*

Q. Mr. President, if you had one aspect of this budget that we've been talking about that seems more important than others, could you tell us what that might be? Is it some of your tax programs, your education program, or—

The President. Well, I think the things—I wouldn't know how to pick out, Jack [James J. Kilpatrick, Universal Press Syndicate], what is the most important. I think, first of all, in the budget we're making really the first concerted attempt to get back under control what had been uncontrollable programs, and I think that is vital to the future. But the things that we want to do, yes, the moves toward training because, as probably has already been said here at this table, I think that a good share of the unemployment today is structural, and it reflects a change that's been going on for a number of years.

The fact that, when you look at the figures that we have, this great unemployment now, and yet, a part of that unemployment is probably, over the last couple of years, 3 million new entrants into the work force—but that, at the same time, you have that great unemployment, you have a higher percentage of the potential work force employed than we've had even in the past in times of full employment. And you have a whole bracket of industries that are out there advertising constantly for employees. And we have to face it that the lack is that there are openings for workers today, but they just don't have the training that is required.

So, our efforts are going to be directed at training and not programs for dead-end jobs, to wait for some miracle to happen.

I'm greatly encouraged. I think the news in the last couple of days—the beginning callback by the major automobile companies. And it's significant that it's the indefinitely laid off that they're calling back, not those people that were told, "We're laying you off for 3 weeks or a month or some-

thing." General Motors—21,400 in seven plants. I was just talking to the Governor of Missouri, who is very pleased that one of the other major companies is calling back about 2,500 at a plant in St. Louis. And that news is coming in all over.

The Job Fairs on the television—which is something new in job hunting—they're all seemingly successful. I taped a little piece to be on five stations that all belonged to one company and were having a Job Fair on the same night on the five stations, ranging from Washington to Buffalo to Cincinnati to Kansas City, and I think the other one was Birmingham, Alabama. And they were kind enough to let me know the next day they got jobs for 5,200 people. So, in view of that, we found out that all over the country, local television stations are going to do the same thing.

Q. Mr. President, may I ask you a question? What would you say to your conservative critics—the Wall Street Journal, Human Events, myself, others, some who have been among your most enduring and vociferous supporters—that it appears that the Washington buddy system is, basically, wearing you down, that a lot of the things you were elected to do, they just seem to be fading away? They're not there anymore.

The President. John [John D. Lofton, Jr., *Conservative Digest*], you see, I don't agree with that. I think that you're all acting from a lack of complete information. No, there's no disarray or chaos here. And, granted—and we knew this, to begin with—you don't get a hundred percent each time of what you asked for, not in the legislative process and, particularly, when your party is not in control of the legislature. And I was used to that in California as a Governor. But, for one thing, we've turned the whole debate around.

For years and years, the minority, the Republicans, in the Congress have been fighting a rear-guard action against the ever-increasing proliferation of government programs and things that were supposed to make paradise out of this earthly sphere. And today, the debate is focused on how much or how little will the cuts be in government spending. And I think this is a

result of what we did in the first year. We didn't get as much then; we didn't get as much the second year.

I know there's a great deal of talk because of last year with the tax program that I supported. Well, let's take a look at that. In Chicago, 1980, when I proposed an economic program, which was the program we brought to Washington, I said that we would try to bring taxing down to 20.6 percent of gross national product. And then, we would try, also, to bring spending down to where those levels matched. Well, when we submitted our tax program, we didn't get it the way we wanted it. We didn't get the 10 percent retroactive to January 1st. We got 5 percent in October, then 10 percent only 6 months ago, and the next 10 percent in the next few months we will get. But we still got more tax cut than we had asked for. But, while they were delaying those cuts that we thought would have had more stimulative effect, had we gotten what we asked for, even those who said they were opposed to tax cuts couldn't resist hanging a lot of Christmas tree ornaments on the bill.

So, we got more than we'd asked for. And much of what the last tax program, the tax increase, did was remove some of those things, because the truth was, when they got through, we were way below 20.6 percent of gross national product. And so, we restored some of that with the changes that we made. We are still below 20.6.

Q. On taxes.

The President. I think running about 18½, isn't it?

*Mr. Stockman.*¹ 18.7 or .9, yes.

The President. Now, there's no way that you can cut spending enough to bring spending down to 18½ percent. And so, we were willing to do what we did.

On the other hand, the tax cuts that we still have obtained will, over this 8-year period, by 1988, will have the people of this country with some \$750 million more in their pockets—billion dollars more in their pockets than they would have had without what we did.

Everyone has neglected to notice that our

tax cuts were to offset a tremendous increase in taxes, starting with bracket creep, but then, with the social security tax increases, those that we have agreed in a compromise to accelerate. I've even seen some stories that indicated that those tax increases were ours and now we were accelerating them. They weren't ours; they were passed in 1977 to keep on increasing all the way to 1990.

And, with the condition of social security, there wasn't much we could do about it. We tried in 1981 and delivered to the other side a political football which they kicked lustily through the entire campaign, lustily and breaking all the rules, pretty dishonestly. But if you will look back at that original proposal, it did include reducing some of those taxes they'd passed. Well, now we have a compromise, and at least this won't be, we won't have that to kick around anymore.

Ms. Small. Could we have one final question, because the President has another meeting waiting.

Q. Mr. President, have you gotten any encouragement from your conversations with the Republican leaders to think that your contingent tax plan has any prospects on Capitol Hill?

The President. I don't know whether they've—we haven't talked to them about the prospects, or they haven't spoken for anyone else. But, no, they understand, and I think there is considerable agreement on what it is that we're proposing.

Remember that that tax proposal, if it were just out there as a contingency proposal with no restrictions, I could see the spenders up on the Hill then going right ahead and saying, "Why cut? We'll just wait and have that tax increase." But they can't do that. That tax increase can't go into effect unless they have made the cuts. And it can't go into effect unless the deficit, then, is over 2½ percent of gross national product. And it can't go into effect if we're still in a recovery stage from the recession, because you don't raise taxes then. So, all of those things have to be met, and I think that many up on the Hill see that.

Karna, I have to take one more, because that gentleman down there had his hand up

¹ David A. Stockman, Director of the Office of Management and Budget.

for a long time.

Ms. Small. Okay.

Q. I wonder if I might ask you a question, Mr. President. I was going to ask Secretary Regan. Perhaps it has some philosophic overtones to it. It has to do with the proposal to provide tax incentives to employers who hire the unemployed. Now, say Sidey [Hugh Sidey, *Time* magazine] here has got a great business going, and he's ready to hire 50 more people anyway. He's going to hire them, and then he's going to take your tax break and say, "Thanks a lot." And maybe Beecher [William Beecher, *Boston Globe*] here, he can't sell his chickens on the Eastern Shore and he doesn't need anybody, but there are a lot of unemployed people around, and he's still not going to hire them because of the cost of hiring them. I wonder how efficient that program really is. Usually the people who—employer who needs help is going to take them and also take the bonus from the Government. And the fellow who's surrounded by the unemployed usually doesn't hire them, because it costs too much to take them on the payroll.

The President. Well, I wonder, because some of the people that'll be available out there are people that an employer is going to have to look at with the idea that he's got to give them on-the-job training. And he's got to look at a period of time before they will represent an asset to him. And this is what we have in mind. We're talking about the long-term unemployed, the people that lack those skills.

But I also have to say something else about business here that might surprise you a little bit. When I made that statement—and I won't look around, but some of you kind of sniped at it—before Christmas that businesses that could, those businesses that didn't have their back to the wall, where they were really fighting for their own life, if everyone would think in terms of giving a job to one person, might make a dent.

You'd be surprised at the flood of mail that I am receiving from all over the United States from business concerns that heard that and take the trouble to write me and tell me. And they have hired anywhere from one to six people and taken them on just because they felt, yes, it was their turn to maybe do something to help in this whole situation that we're in. So, I have a feeling that there's more altruism out there than we're giving people credit for.

Certainly the evidence in the way communities have rallied with regard to doing everything they can for those people that are out there and that are without jobs is more than we've seen in many a year. As a matter of fact, contributions to various kinds of worthy causes are all up in what would normally be accepted a hard-time period, when they would go down. But we have seen that. We get these letters from them, and they all sound pretty enthused about it.

But I think we've got some protections built into this. They can't take back someone that they've laid off to his old job and get this credit. It is really aimed at getting the hardcore unemployed taken care of.

Don [Secretary of the Treasury Donald T. Regan] says I've got to go.

Q. You can stay here and talk with us. [Laughter]

The President. So, John, with regard to all the other, I'm still just as stubborn as I always was. [Laughter]

Q. Hear, hear. Is that on the record?

The President. Yes.

Note: The exchange began at 12:54 p.m. in the Roosevelt Room at the White House. The columnists were at the White House to attend a luncheon briefing by administration officials on the budget.

Karna Small Stringer is Deputy Assistant to the President and Director of Media Relations and Planning.

Radio Address to the Nation on the Fiscal Year 1984 Budget *January 29, 1983*

My fellow Americans:

On Monday, I will send to the Congress my budget message for fiscal year 1984. I wanted to give you a little preview of that message today.

Much of the debate in the weeks and months ahead will focus on the deficit. That's a dirty word which awhile back I'd hoped might be a thing of the past by 1984. But the deficit is going to be large. And I wanted to tell you the whys and wherefores of this deficit dilemma and how our budget seeks to remedy it.

Ironically, the deficit problem has been aggravated by our success in reducing inflation. You know, inflation is actually a form of taxation. During the 1970's, the government slyly got tax increases every year when cost-of-living pay raises pushed people into higher tax brackets.

Well, we've pretty much strangled the inflation tax, and the result is that the Government no longer gets a free ride. If the Government wants or needs more tax money, it should openly raise taxes, not follow practices that create inflation. Of course, raising taxes isn't as safe politically as letting inflation do it. So, lowering inflation has been quite a shock to the system.

Another reason the deficit is so burdensome is because the long recession has temporarily shrunk the number of people paying taxes. At the same time, the recession has added to the deficit by causing us to pay out more money in unemployment benefits, food stamps, and the like.

The interest on the national debt is also a reason for the deficit. About 12 percent of our budget, \$103 billion a year, goes just to pay the interest. Fortunately, inflation and interest rates are down, so we're not financing that debt at the very high interest rates we once were. But it is still a very big chunk. In fact, it's more than the whole Federal budget was just about 20 years ago.

The necessary process of restoring our neglected national defense also has put pressure on our resources, but it's something we had to do. Where peace and freedom are at

stake, we can't afford to gamble. And the fact is that the real purchasing power devoted to maintaining our military declined by a startling 20 percent in recent years.

Finally, despite our great strides in reducing the growth in spending over the last 2 years, the vast majority of domestic spending programs are still in place. The result of all this is that deficits have now reached towering levels that cast a pall of uncertainty over the financial markets and threaten to slow and weaken the economic recovery ahead of us. Well, I don't intend to let that happen. As I outlined in my State of the Union message, I'm advocating sweeping changes designed to reduce the mounting Federal deficits that threaten our economic growth. And here's what I propose.

First, I will recommend an overall Federal spending freeze. So far, we've only cut the rate of increase in Federal spending. The government has continued to spend more money each year—just not as much more. We've got to do something about that, so I propose the budget for 1984 will increase no more than the rate of inflation. This will include a 6-month freeze in the cost-of-living adjustments recommended by the bipartisan Social Security Commission and a 1-year freeze on Federal employee pay and retirement programs. Now, while this means that defense spending will be up and nondefense spending, in total, will be down, it doesn't mean that all nondefense programs are being cut. In fact, some of them are increasing at even a greater rate than defense.

Second, I propose to adjust our program to restore America's defense by making \$55 billion in defense savings over the next 5 years. The Secretary of Defense has assured me these reductions can be achieved without diminishing our ability to negotiate arms reductions or endangering our security.

Third, I'll ask the Congress to adopt specific measures to control the growth of spending for entitlement programs. Now, these are programs that have automatic in-

creases built into them by legislation passed by Congress. When we submit the budget, we have to accept those built-in raises. Well, we are—for the first time—proposing some badly needed structural reforms, tailoring the benefits and eligibility rules to serve those with genuine need. In the food stamp program alone, last year we identified almost \$1.1 billion in overpayments. This kind of error and waste takes money from those who really need benefits. We want to put a stop to it. I'm also proposing certain cost controls and incentives for economies in health care and measures to prune back the unaffordable costs of the Federal retirement system.

Fourth, I am proposing a standby tax that wouldn't start until 1986, and wouldn't start at all unless the deficit is greater than 2½ percent of the gross national product. And even then, it won't start unless Congress has first passed our spending cuts. You might call this tax a safety net for the deficit. This way we can preserve the tax cuts and tax indexing we've already won for the American people and still have a fallback mechanism in place to cap the deficit if need be.

As I said the other night, America is on the mend. The leading economic indicators

are up in December for the eighth time in the last 9 months. The auto companies are calling people back to work. General Motors alone is calling back more than 21,000 auto workers over the next 3 months. Construction contracts last month rose to the highest level in 3 years. And housing starts are up.

But in spite of the improving economy, much still needs to be done for the unemployed. In the days ahead, I will submit legislation designed to get at the special problems of the long-term unemployed and young people seeking to enter the job market. I'll propose extending unemployment benefits, including incentives to employers who hire the long-term unemployed. We will also seek more money for the programs benefiting displaced workers in the Job Training Partnership Act adopted last year.

Our budget is fair and realistic. It is a budget that will position America to take full advantage of the recovery. I look forward to working in a bipartisan spirit with the Congress in passing this budget.

Till next time, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Telephone Conversations With the Super Bowl XVII Coaches in Pasadena, California *January 30, 1983*

Mr. Gibbs. Yes, sir?

The President. Hello, coach?

Mr. Gibbs. Yes.

The President. Coach, Ronald Reagan.

Mr. Gibbs. Yes, sir, Mr. Reagan.

The President. Listen, I just want to say congratulations to you and that great team of yours. You know last week when I was trying to be heard—and I know you couldn't hear me—

Mr. Gibbs. I can hear you fine now.

The President. Well, I was just asking if maybe now that the season's over and they've won the championship, they'd like

to help me up on Capitol Hill with some of the Congressmen.

Mr. Gibbs. [Laughing] Yes, sir, we're going to come back and try and help you put together the budget and a few other things.

The President. Okay. And there was one thing. Last week—

Mr. Gibbs. Mr. Cooke is used to dealing with a lot of money. He'll help you with that.

The President. [Laughing] Okay. Listen, last week I was thinking of asking Riggins if he might, say, change the spelling of his

name a little bit so that it had an e-a in it. [Laughter] But now this week, would he mind if I changed my spelling so that it had an i and a couple of g's in it?

Mr. Gibbs. I don't think he'd mind that at all, Mr. President. I don't think he would mind that at all.

The President. Okay. Well again, it was just great, and all of us back here are mighty thrilled and excited.

Mr. Gibbs. Yes, sir. It's a big day for us. All of the Washington fans share in this. Each one of them has a little part of this trophy.

The President. Well, you fellows really earned it, and it was thrilling to watch. And God bless all of you, and congratulations again.

Mr. Gibbs. Thank you very much, Mr. President. Thank you.

The President. You bet.

Mr. Gibbs. Yes, sir.

The President. All right. Bye.

Mr. Shula. Hello.

The President. Hello?

Mr. Shula. Yes.

The President. Coach Shula?

Mr. Shula. Yes.

The President. Ronald Reagan.

Mr. Shula. Hello, Mr. President.

The President. Well, I know that there probably isn't a thing that anyone could say that would make you feel better right now.

Mr. Shula. [Laughter] You're right.

The President. So, I just want to say that, on the other hand, it was a great game and—

Mr. Shula. Thank you. The Redskins and the coach, Joe Gibbs, and everybody in that organization—I congratulate them and the people that have supported them. From the middle of last year on, they were the best

team in the National Football League. And they proved it today against us, and, of course, much to my sorrow. And I'm proud of our team for what they've accomplished this year, but we didn't get it done in the second half.

The President. Well, I was going to say to you, you've got every reason to be proud of that team. And all of you have an awful lot of class. And, yes, it's true. Footballs bounce funny sometimes and, believe me, I can have some understanding how you feel because I guess I've played—my college days, I played in more losing games than winning games all 4 years. So, I know how you feel there. But—

Mr. Shula. Thank you, Mr. President. I appreciate your call, and I'll pass this on to the squad.

The President. And, say, I have a warm spot in my heart for all of you, but for A. J., in particular, because I just read some things that he said about me and he made me very proud.

Mr. Shula. He's a class young man, and I'm proud to be his coach. Thank you, Mr. President.

The President. All right. Good night.

Note: The President placed the telephone calls from the White House to the teams' locker rooms at the Rose Bowl at approximately 9:40 and 9:47 p.m.

In his conversation with Coach Joe Gibbs of the Washington Redskins, the President referred to Redskins running back John Riggins. Mr. Gibbs referred to Jack Kent Cooke, the team's owner.

During his conversation with Coach Don Shula of the Miami Dolphins, the President referred to Dolphins linebacker A. J. Duhe.

The Washington Redskins won the National Football League championship by a score of 27 to 17.

Message to the Congress Transmitting the Fiscal Year 1984 Budget January 31, 1983

To the Congress of the United States:

Two years ago, in my first address to the country, I went before the American people to report on the condition of our economy, which had suffered from many years of seriously misguided policies. I made a strong commitment to change the traditional short-sighted view that had previously been taken on economic priorities so that we could achieve our goal of long-term prosperity. I stated that we had a massive job before us.

Government spending was taking a rapidly increasing share of national income, burdensome Government regulation had stunted productivity increases, and excessive tax rates combined with erratic monetary policy resulted in serious disincentives to investment and long-term real economic growth. Inflation was at double-digit levels. Interest rates were at record highs. Real growth and job creation had ceased. New investment, productivity, and personal saving were stagnant. Our economy was in the worst mess in half a century.

To make matters worse, our military strength had been allowed to run down relative to the aggressively expanding military might of the Soviet Union. We were in serious danger of becoming powerless to deter or counter Soviet aggression around the world.

The economic program that I proposed at that time focused on long-range real growth. My tax proposals were designed to provide badly needed private incentives to stimulate savings and productive investment. I supported the Federal Reserve in its pursuit of sound monetary policy. I worked with the Congress to reverse the growth of Government programs that had become too large or outlasted their usefulness. I worked to eliminate or simplify unnecessary or burdensome regulations.

The unprecedented buildup of inflationary forces in the 1970's, however, exacerbated in severity and duration the economic downturn of recent years. One of the key detrimental forces has been the growing

Federal budget. Despite our success in reducing the rate of growth of nondefense spending in the last two budgets, spending in 1983 will exceed 1981 levels by 21%, reflecting continued increases in basic entitlement programs, essential increases in defense spending, and rapid growth of interest costs.

Thus, the full effect of the changes we have made is taking time to develop. Overreactive short-term remedies are not the answer. What is essential now is that we continue to work together to rebuild this country—without losing sight of the four fundamentals of our economic program:

- Limiting tax burdens to the minimum levels necessary to finance essential Government services, thus maintaining incentives for saving, investment, work effort, productivity, and economic growth.
- Reducing the growth of overall Federal spending by eliminating Federal activities that overstep the proper sphere of Federal Government responsibilities and by restraining the growth of spending for other Federal activities.
- Reducing the Federal regulatory burden in areas where the Federal Government intrudes unnecessarily into our private lives or interferes unnecessarily with the efficient conduct of private business or of State or local government.
- Supporting a moderate and steady monetary policy, to bring inflation under control.

Two Years of Accomplishment

Over the past 2 years, dramatic improvements have been made in the way the Government affects our economy. The Congress joined with my administration in a cooperative and politically courageous effort to reverse a decade of runaway growth in spending and tax burdens, proliferation of unnecessary regulations and red tape, and erosion of our military strength.

Both the Omnibus Reconciliation Acts of 1981 and 1982 effected fundamental reforms in numerous Federal programs, and

demonstrated a greatly heightened level of maturity and responsibility of the congressional budget process that has come to fruition with the help and support of this administration. Although I am disappointed that many administration spending-reduction proposals did not pass last year—which has resulted in higher deficits—I believe that the revitalized congressional budget process signifies a refreshing willingness on the part of the Congress to work with my administration to address squarely the many crucial, complex, and politically difficult budgetary dilemmas before us. The results have been impressive:

- Where the growth rate of spending was almost out of control at 17.4% a year in 1980, it is now declining dramatically—to 10.5% this year, and, with this budget, to 5.4% next year—which is no more than the projected rate of inflation; in effect, a comprehensive freeze on total Federal spending.

- Where spending growth totaled \$220 billion from 1978 to 1981, a 48% increase, spending will rise by only 27% from 1981 to 1984, despite legislated cost-of-living adjustments and the needed defense buildup.

- For the first time since the Second World War, the Federal tax system has been fundamentally restructured. Income tax rates have been substantially reduced, greatly improving the climate for savings and investment. Excessive taxation of business income resulting from depreciation allowances rendered inadequate by inflation has been eliminated through depreciation reform. Tax loopholes have been closed, making the tax structure more equitable. Emphasis is shifting to financing programs through user fees commensurate with benefits and services provided.

- The excessive rates of growth of entitlement programs were curbed. Overly-broad eligibility criteria were tightened to limit benefit awards more to the truly needy, and eliminate or restrict unnecessary and costly payments of welfare-type benefits to those who are relatively well off and are, or ought to be, self-supporting.

Overly-generous and unnecessarily frequent cost-of-living adjustments were pared back. Nonetheless, the growth of these programs has proven difficult to control and continues to be the primary cause of higher deficits.

- Limitation of Federal credit activity and off-budget spending is being achieved.

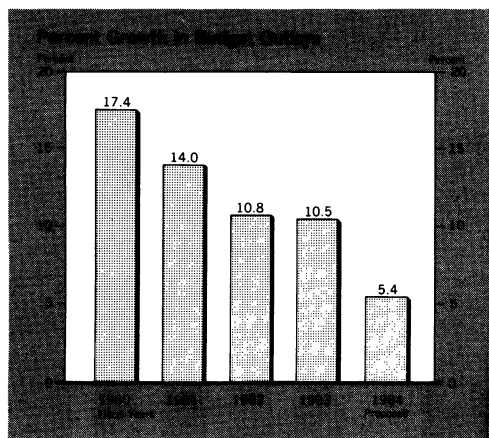
- The burgeoning growth of Federal regulations and red tape has been capped. The number of proposed new regulations has been reduced by one-third in the past 2 years. Unnecessary costs of Federal regulation to individuals, businesses, and State and local governments have been reduced by \$6 billion in annual expenditures and \$9 to \$11 billion in capital costs. By the end of 1983, the time our citizens spend filling out Federal forms and reports will have been cut by over 300 million hours annually.

- Improvements in the management of Federal operations, such as better procedures for the collection of debts owed the Government and better cash-management practices, are being carried out. These improvements have helped reduce waste, fraud, and abuse in Government programs.

- And by the end of the 1982 fiscal year, the Federal nondefense work force had been reduced by 91,300 employees since I took office.

During the past 2 years, we have also taken decisive measures to increase our military strength. At the same time, diplomatic approaches to increase our national security, such as arms reduction talks, have been vigorously pursued.

The improvement in our defense posture includes all of its major elements. Long-overdue modernization of our strategic forces is proceeding with new bomber-, submarine-, and land-based missile programs. Our conventional forces are also being modernized and strengthened, with new ships, tanks, and aircraft. Above all, successful recruiting and retention over the past 18 months have resulted in all of our armed services being more fully manned with capable, high-caliber men and women. The All Volunteer Force is now working well.



By any standards, these are accomplishments to be proud of. And I am proud of them. We have come far in restoring order to the chaos prevailing in our economy and Government affairs just 2 years ago.

This is not to say that we do not still face great problems such as excessive unemployment, slower than desired economic growth, and high deficits. During the past 2 years our Nation has labored to purge itself of the inflationary disease that for nearly two decades had progressively undermined the economy's ability to generate growth, capital formation, worker productivity incentives, and financial stability. Those inflationary fevers have largely subsided in the aftermath of my decision 2 years ago to redirect economic policy toward a more modest size and scope for the Federal Government, a series of tax rate reductions to reward productive investment and work effort, and a restrained monetary policy to sustain the purchasing power of individual savings and income.

Accompanying the marked progress in unwinding the damaging inflation spiral that plagued our Nation for so many years, financial markets in 1982 experienced their first sustained improvement in more than 5 years. Interest rates throughout the maturity spectrum declined substantially, and by yearend we can proudly report that key rates for home mortgages, consumer loans, and business investment were able to sustain their lower levels, indicating new confi-

dence in administration policies and bringing much needed relief to the housing and auto industries, the farm community, and the export sector.

Inflationary pressures of the sort experienced during the past two decades extracted a heavy toll from our economy. We have learned that the problems we inherited were far worse than most inside and out of Government had expected; the recession was deeper and longer than most inside and out of Government had predicted. Curing those problems has taken more time and a higher toll than any of us wanted. Unemployment is far too high.

Fortunately, the long nightmare of runaway inflation is now behind us. Slowly, but steadily and unmistakably, our national economy is completing the transition from recession to recovery. The interaction of lower tax rates, reduced inflation, and falling interest rates has placed the consumer and the producer in a much strengthened position with respect to balance sheets, liquidity, after-tax income, and purchasing power.

There are numerous signs that the battered, sputtering inflation-warped economy that we found 2 years ago is on the mend, and that the dislocation and hardship we have suffered in the interim will prove to be a corrective interlude on the path of sustained recovery. But our confidence must also be tempered by realism and patience. Quick fixes and artificial stimulants, repeatedly applied over decades, are what brought on the inflationary disorders that we have now paid such a heavy price to cure.

In part as a result of the difficult period of disinflation, during the past year and one-half our projections of the Federal deficit have steadily risen. They have now reached very high levels, creating uncertainty in the financial markets and threatening to block the economic recovery ahead of us.

But before we consider what is to be done, we must review how we got here. And the truth is that as in the case of the social security fund, the looming gaps in our national budget are the consequence of both the inflation that got out of hand and

the correctives that have been unavoidably applied to cure it.

During the 1970's, the share of our national income devoted to domestic programs and transfer payments soared by more than 50%—from 10 cents to 16 cents on every dollar produced by the American people. For a brief time, it appeared that we could afford all of this generosity because inflation badly misled us.

As inflation reached higher and higher peaks, the Treasury's coffers swelled from its take on inflated incomes and the upward creep of tax rates. For a time, we even financed our trillion dollar national debt on the cheap with interest rates that had not yet caught up with the spiraling inflation.

Meanwhile, defense spending grew at less than 60% of inflation, making room in the budget for extra domestic programs. The real purchasing power available to maintain our readiness, modernize our weapons, and maintain strategic nuclear safety declined by a startling 20%.

But it couldn't last—and it didn't. Today the Federal budget itself has become a major victim of the economic transition:

- The inflationary revenue windfall has dried up.
- Our staggering national debt until recently was being financed at the highest interest rates in peacetime history.
- The undelayable process of restoring our inflation-eroded military budgets and our decayed military strength has further strained our resources.
- Despite our great strides in reducing the spending growth over the last 2 years, the vast edifice of domestic programs remains significantly in place.

The social security system has also been a victim of our economic ills. First, the rampant inflation drained its reserves as Government tried to keep beneficiaries up with the spiraling cost of living that its own mistaken policies had created in the first place. Now the recessionary adjustments to disinflation have temporarily deprived it of the expanding wage base and growing revenues required to support commitments to the retired and disabled. As a result, for too long the specter of social security insolvency has haunted our Nation's elderly citizens and

threatened to rupture the lifeline on which 36 million retired and disabled Americans depend.

But however obvious the threat of insolvency, one thing is certain: social security cannot and will not be allowed to fail the 36 million Americans who depend on it. With this commitment in mind, it is especially pleasing to me to join with the Speaker of the House and the Senate Majority Leader in urging the Congress to enact the bipartisan compromise plan developed by the National Commission on Social Security Reform.

There are elements in it that none of us prefers, but taken together it forms a package all of us can support. It asks for some sacrifice by all—the self-employed, beneficiaries, workers, new government employees, and the better-off among the retired—but it imposes an undue burden on none. And, in supporting it, we keep an important pledge to the American people: the integrity of the social security system will be preserved—and no one's payments will be reduced.

Toward Economic Recovery

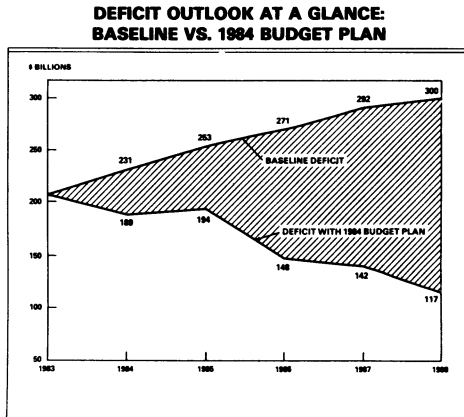
To enhance prospects for sustained economic recovery and lower unemployment, I am proposing a sweeping set of fiscal policy changes designed to reduce substantially the mounting Federal deficits that threaten the renewal of economic growth. My plan is based on these principles:

It must be bipartisan. Overcoming the deficits and putting the Government's house in order will require the best efforts of all of us.

It must be fair. Just as all will share in the benefits that will come from recovery, all should share fairly in the burden of transition.

It must be prudent. The strength of our national defense must be restored so that we can pursue prosperity in peace and freedom, while maintaining our commitment to the truly needy.

Finally, it must be realistic. We cannot rely on hope alone.



With these guiding principles in mind, let me outline a four-part plan to increase economic growth and reduce deficits.

First, I am recommending a Federal spending freeze. I know this is strong medicine, but so far we have cut only the rate of increase in Federal spending. The Government has continued to spend more money each year, though not as much more as it did in the past. Taken as a whole, the budget I am proposing for the next fiscal year will increase no more than the rate of inflation—in other words, the Federal Government will hold the line on real spending. That is far less than many American families have had to do in these difficult times.

I will request that the proposed 6-month freeze in cost-of-living adjustments recommended by the bipartisan National Commission on Social Security Reform be applied to other Government benefit programs. I will also propose a 1-year freeze on a broad range of domestic spending programs, and for Federal civilian and military pay and pension programs.

Second, I will ask the Congress to adopt specific measures to control the growth of the so-called “uncontrollable” spending programs. These are the automatic spending programs, such as food stamps, that cannot be simply frozen—and that have grown by over 400% since 1970. They are the largest single cause of the built-in or “structural” deficit problem. Our standard here will be fairness—ensuring that the taxpayers’ hard-earned dollars go only to the truly needy; that none of them is turned away; but that fraud and waste are stamped out. And, I am sorry to say, there is a lot of it out there. In the food stamp program alone, last year we identified almost \$1.1 billion in overpayments. The taxpayers are not the only victims of this kind of abuse; the truly needy suffer, as funds intended for them are taken by the greedy. For everyone’s sake, we must put an end to such waste and corruption.

Third, I will adjust our program to restore America’s defenses by proposing \$55 billion in defense savings over the next 5 years. These are savings recommended to me by the Secretary of Defense, who has assured me they can be safely achieved and will not diminish our ability to negotiate arms reductions or endanger America’s security. We will not gamble with our national survival. As a percent of GNP, the level I am requesting for defense spending in 1984 is less than the United States spent during the decade of the 1960’s. As a percent of the total Federal budget it is far less than was allocated for national defense in those years. We are 2 years into the program to re-arm America. Sustaining the momentum of this program is essential if we are to avoid slipping back into the inefficient and counterproductive pattern of wildly fluctuating defense spending levels.

THE BUDGET TOTALS

(In billions of dollars)

	1982 actual	1983 estimate	1984 estimate	1985 estimate	1986 estimate
Budget receipts.....	617.8	597.5	659.7	724.3	841.9
Budget outlays.....	728.4	805.2	848.5	918.5	989.6
Surplus or deficit (—)	—110.6	—207.7	—188.8	—194.2	—147.7
Budget authority.....	779.9	847.4	900.1	997.4	1,079.6

Fourth, because we must ensure reduction and eventual elimination of deficits over the next several years, I will propose a stand-by tax limited to no more than 1% of the gross national product to start in fiscal year 1986. It would last no more than 3 years and would start only if the Congress has first approved our spending freeze and budget control program. You could say that this is an insurance policy for the future—a remedy that will be at hand if needed, but resorted to only if absolutely necessary.

In the meantime, we will continue to study ways to simplify the tax code and make it more fair for all Americans. This is a goal that every American who has ever struggled with a tax form can understand.

At the same time, however, I will oppose any efforts to undo the basic tax reforms we have already enacted—including the 10% tax break coming to taxpayers this July and the tax indexing that will protect all Americans from inflationary bracket creep in the years ahead.

Impact of Stronger Economic Growth

- If the recovery of real GNP growth over the next 2 fiscal years is *about 1%* above our cautious projections, the deficit estimates would improve by an average of about \$20 billion per year, and would result in lower deficits as follows:

	1984	1985	1986	1987	1988
Deficit (—) (\$ billions).....	—177	—177	—127	—119	—90

- An average real GNP growth rate *1.33%* higher each year over the next 6 years, compared to the prudent projections made in the 1984 budget, would result in a balanced budget by 1988. This is a “high growth” scenario but within the range of previous historical experience. My administration remains committed to the goal of a balanced budget and will propose additional policy actions, as needed, to achieve it.

This plan is urgently needed and is geared toward solving the problems of the growing deficits. But it naturally requires the cooperation of both branches of Government, both Houses, and both parties. Thus, our plan is aimed at bridging the institutional, philosophical, and political differences that separate us—which are not as important as the overriding common objective of economic recovery and sustained prosperity for America.

After 2 years of reducing much of the overspending, we have now reached the bone in many places—programs where we will not propose further reductions. My administration will now work with the Congress in an effort to accommodate those special concerns of the legislative branch that have caused unnecessary strains in the past.

Thus, we will propose \$3 billion more for education programs than was proposed last year, and almost \$2 billion more for employment and training. Proposals for new rescissions of already-enacted budget authority will be held to an absolute minimum.

This budget process must be a two-way street, for the problem of large deficits is very real. Even when all reasonable measures are applied to the vast detail of the budget, the resulting deficits are large and progress toward reducing them slow. The political risks entailed in these deficit-containment measures are considerable. But the risk of doing nothing at all due to partisanship or legislative stalemate is much greater. I therefore urge the Congress to join with my administration behind this common-sense strategy.

Meeting—and Reshaping—Federal Responsibilities

My administration seeks to limit the size, intrusiveness, and cost of Federal activities as much as possible, and to achieve the needed increase in our defense capabilities

in the most cost-effective manner possible. This does not mean that appropriate Federal responsibilities are being abandoned, neglected, or inadequately supported. Instead, ways are being found to streamline Federal activity, to limit it to those areas and responsibilities that are truly Federal in nature; to ensure that these appropriate Federal responsibilities are performed in the most cost-effective and efficient manner; and to aid State and local governments in carrying out their appropriate public responsibilities in a similarly cost-effective manner. The Nation must ask for no more publicly-provided services and benefits than the private sector can reasonably be asked to finance.

Education.—One of the high priorities I have set for my administration is the return to a more appropriate role for the Federal Government in the Nation's education systems and policies. We have slowed the alarming rate of growth of Federal spending for education, an area that is rightfully and primarily a family and State and local government responsibility. From 1974 to 1981, Federal spending for education increased by 172%. From 1981 to 1982, however, outlays declined by more than \$1 billion. My administration has accomplished a major consolidation of small fragmented education programs into a flexible education block grant to States and localities. We have cut back on unnecessary regulation and Federal intrusion in local affairs.

The 1984 budget seeks to stabilize education spending, requesting \$13.1 billion in budget authority for 1984. It reflects several important new initiatives to strengthen American education:

- Passing of tuition tax credits for parents who want to send their children to qualified private or religiously-affiliated schools.
- Establishing education savings accounts to give middle- and lower-income families an incentive to save for their children's college education and, at the same time, to

encourage a real increase in savings for economic growth.

- Reorienting student aid programs to ensure that students and families meet their responsibilities for financing higher education, while making funds available across a wider spectrum of schools for the low-income students most in need.

- Allowing States or localities, if they so choose, to use their compensatory education funds to establish voucher programs to broaden family choice of effective schooling methods for educationally disadvantaged children.

- Helping States to train more mathematics and science teachers.

These initiatives represent the administration's continuing commitment to avoid improper Federal involvement in State, local, and family decisions, while preserving proper Federal support for key national policy goals such as supporting compensatory and handicapped education, facilitating access to higher education, and helping States improve science and mathematics education.

Research.—My administration recognizes the Federal responsibility to maintain U.S. leadership in scientific research. Although support of basic scientific research represents a small share of the Federal budget, it is a vital investment in the Nation's future. Such research lays the foundation for a strong defense in the years to come, and for new technologies and industries that will help maintain our industrial competitiveness, create new jobs, and improve our quality of life. By carefully establishing budget priorities, my administration has been able to reinvigorate Federal support for basic scientific research. With my 1984 budget proposals, such support across the Government will have increased by more than 20% over the 1982 level.

Health care.—A major problem for both individuals and the Federal Government in meeting health care needs is the rapid inflation of health care costs. The rate of in-

crease in health care costs is excessive and undermines people's ability to purchase needed health care. Federal policies have contributed significantly to health care cost increases. The budget contains several major initiatives to reduce cost increases. We must eliminate the tax incentive for high-cost employee health insurance programs. Savings from medicare cost controls will be used to protect the aged from catastrophic hospital costs. Incentives will also be proposed to slow the growth of medicaid costs.

Agriculture.—The administration seeks to move agricultural supply toward a better balance with demand by reducing farm production and Government program stocks. The budget proposes a four-part approach to solving the current surplus supply problem:

- establishing a payment-in-kind (PIK) program, under which farmers would receive surplus commodities now held for Federal loans, or owned by the Government, in return for reducing their production;

- freezing farm crop target prices at current levels;

- donating Government-held commodities through international humanitarian organizations for needy people around the world; and

- selling our agricultural produce abroad, both through commercial channels and through governmental negotiation.

Efforts are also continuing to identify surplus Federal land holdings for sale from those administered by the Departments of Agriculture and of the Interior. Planned sales total \$500 million in 1984.

Transportation.—In the transportation area, my administration has made major strides in implementing one of the fundamental principles in my program for economic recovery: having users pay for program costs that are clearly allocable to them. During the past year, I signed into law two administration-backed proposals to

increase excise taxes on aviation and highway users and thereby provide funding needed to revitalize and modernize these important segments of the Nation's transportation system. The 1984 budget reflects the administration's continued commitment to the "users pay" principle by again proposing user fees for:

- construction and maintenance of deep-draft ports;
- the inland waterway system;
- selected direct Coast Guard services; and
- nautical and aviation maps and charts.

Recognizing the importance of our transportation system in maintaining and contributing to the Nation's economic and social well being, my administration secured passage of legislation designed to rebuild the Nation's highway and public transportation facilities. This legislation substantially increased funds available to the States and local communities to complete and repair the aging interstate highway system, to rehabilitate principal rural and urban highways and bridges, and to improve mass transit systems.

Fully capable ports and channels are essential to make U.S. coal exports competitive in world markets. My administration will work with the Congress to provide for timely and efficient port construction. We propose a system of user fees for existing port maintenance and new port construction. Local governments would be empowered to set up their own financing arrangements for the immediate construction of facilities in their areas.

Reducing the Federal presence in commercial transportation, currently regulated by the Interstate Commerce Commission, the Civil Aeronautics Board, and the Federal Maritime Commission, will improve the efficiency of the industry. To this end, my administration will seek further deregulation of trucking, airlines, and ocean shipping. Experience since the adoption of initial transportation deregulation legislation

has shown clearly that both consumers and industry benefit from reduced Federal involvement in these activities.

Energy.—The administration has significantly reoriented the country's approach to energy matters in the past 2 years. Reliance on market forces—instead of Government regulation and massive, indiscriminate Federal spending—has resulted in greater energy production, more efficient use of energy, and more favorable energy prices. For example:

- The U.S. economy today is using 18% less energy to produce a dollar's worth of output than it did in 1973 when energy prices first began to rise.

- The price of heating oil and gasoline has actually fallen in real terms by 12% in the past 2 years—confounding past theories that insisted that these prices could only increase.

Federal energy programs and policies have been refocused and made more productive:

- Wasteful spending on large, unprofitable technology demonstrations has been curtailed.

- At the same time, spending has increased in areas where the Government has a key role to play—for example, in supporting long-term energy research.

- The strategic petroleum reserve has more than doubled in size over the past 2 years.

Criminal justice.—My administration has also sought to strengthen the Federal criminal justice system by proposing major legislative initiatives, such as bail and sentencing reform, by attacking drug trafficking and organized crime, and by achieving a better balance among law enforcement, prosecutorial, and correctional resources. Twelve regional task forces will focus on bringing to justice organized crime drug traffickers. The administration will strengthen efforts to identify, neutralize, and defeat foreign agents who pose a threat to the Nation.

International affairs.—Our foreign policy is oriented toward maintaining peace through military strength and diplomatic negotiation; promoting market-oriented solutions to international economic problems; telling the story abroad of America's democratic, free-enterprise way of life; and increasing free trade in the world while assuring this country's equitable participation in that trade.

- The security assistance portion of the international affairs program has been increased to assist friendly governments facing threats from the Soviet Union, its surrogates, and from other radical regimes.

- Development aid emphasizes encouraging the private sectors of developing nations and increasing U.S. private sector involvement in foreign assistance.

- A major expansion of international broadcasting activities aimed primarily at communist countries is planned, and a new initiative will be undertaken to strengthen the infrastructure of democracy around the world.

- Special attention is being given to assuring adequate financing of U.S. exports while my administration seeks to obtain further reductions in the export subsidies of other governments.

My administration will submit to the Congress a proposal to increase the U.S. quota in the International Monetary Fund and the U.S. obligations under the IMF's General Arrangements to Borrow, as soon as negotiations on these issues are completed. This is necessary to ensure that the IMF has adequate resources to help bring the world economy back to strong, noninflationary growth.

Although now less than 2% of the budget, international programs are critical to American world leadership and to the success of our foreign policy.

Minority-owned businesses.—My administration will also assist in the establishment or expansion of over 120,000 minority-owned businesses over the next 10 years.

The Federal Government will procure an estimated \$15 billion in goods and services from minority business during the 3-year period 1983–1985. It will make available approximately \$1.5 billion in credit assistance and \$300 million in technical assistance to promote minority business development during this period.

Civil service retirement.—The 97th Congress made some improvements in the civil service retirement system. However, civil service retirement still has far more generous benefits and is much more costly than retirement programs in the private sector or in State and local governments. Accordingly, this budget proposes fundamental changes in civil service retirement designed to bring benefits into line with those offered in the private sector and reduce the cost of the system to affordable levels. Retirement benefit changes will be phased in over a period of years in order to avoid upsetting the plans of those at or near retirement.

Unemployment Demands Specific Attention

My administration seeks to provide appropriate assistance to the unemployed. There are three major groups who need help: the largest, those who are unemployed now but will find jobs readily as the economy improves; those whose jobs have permanently disappeared; and youth who have trouble finding their niche in the labor market.

Those in the first group need interim help because, historically, increases in jobs always lag in an economic recovery. Last year we provided a temporary program to give the long-term unemployed up to 16 added weeks of unemployment compensation, in addition to the up to 39 weeks available from our permanent unemployment insurance. This temporary program expires March 31, 1983. I propose to modify and extend the program for 6 more months, and provide an option for recipients to receive assistance in securing work through a

system of tax credits to employers. This will give employers a significant incentive to hire the long-term unemployed, while workers will get full wages rather than the lower unemployment benefit.

Those whose jobs have permanently disappeared must be helped to find new long-term occupations. The Job Training Partnership Act, enacted last year, authorizes grants to States to help retrain such workers and assist them in locating and moving to new jobs. The Congress appropriated \$25 million to start this new program in 1983. I am requesting \$240 million to implement the program fully in 1984. In addition, I propose that the Federal unemployment law be changed to allow States to use a portion of the unemployment taxes they collect to provide such retraining and job search assistance to their unemployed workers. Regulatory reform and passage of enterprise zone legislation will also create new incentives for jobs and opportunity.

Those youth who have problems finding jobs after they leave school are often condemned to a lifetime of intermittent employment and low earnings. The new Job Training Partnership Act is designed to help disadvantaged youth acquire the basic skills potential employers look for when they hire. I am requesting \$1.9 billion for the block grant to States under that Act. The States must use at least 40% of that for youth.

One of the problems hampering youth is inability to get meaningful work experience during school vacations. Such experience is invaluable to demonstrate their qualifications to potential permanent employers. The budget provides for 718,000 public summer job opportunities for disadvantaged youth. But we must also make it possible for youth to experience work in the private sector. The minimum wage law now frequently prevents this. Inexperienced youth cannot produce enough of value to make it worthwhile for employers to pay them the full minimum wage during short periods of

employment. I therefore propose that the minimum wage for summer jobs for youth be reduced to \$2.50 an hour. Limitation of the reduced minimum wage to the summer months will make it unlikely that employers will substitute youths for older workers.

I remain adamantly opposed to temporary make-work public jobs or public works as an attempted cure for non-youth unemployment. There are several reasons for this. The cost per "job" created is excessive; we cannot afford major new programs, particularly in our current budgetary straits; the actual number of new jobs "created" is minimal; the jobs created tend to be temporary and of a dead-end nature; and most such jobs do not materialize until after recovery is well underway.

Improving the Efficiency of Government

The proposed freeze on program funding levels will compel program managers in every agency of the Government to find more efficient ways of carrying out their programs. For too long, costs of Federal operations have been mounting unchecked.

Good management has not always been a priority of the executive branch. I have been correcting that situation.

My administration has redirected programs to improve their efficiency and to achieve cost savings Government-wide. My administration is committed to improving management and reducing fraud, waste, and abuse. The President's Council on Integrity and Efficiency (PCIE), made up of 18 Inspectors General, reported that almost \$17 billion has been saved or put to better use in the past 2 years.

In 1982, I signed into law the Federal Managers' Financial Integrity Act. Under this Act, my Cabinet officers and other agency heads will report to me and the Congress annually on the status of their efforts to improve management controls that prevent fraud and mismanagement. A number of agencies have already begun to make significant improvements in this important area.

But the Government can go only so far with the seriously outdated and inefficient management/administrative systems that are currently in place. One-third of our large-scale computers, for example, are more than 10 years old. A comprehensive management improvement program was needed, so "Reform '88" was initiated. We intend to upgrade and modernize our administrative systems to make them more effective and efficient in carrying out the Government's business and serving the public.

We are already saving tax dollars by managing our almost \$2 trillion yearly cash flow more effectively, collecting the Government's \$250 billion of just debts, cutting Government administrative costs, modernizing Federal procurement systems, reducing internal regulations, controlling our office space and equipment more prudently, and streamlining the workforce in many departments and agencies. These cost-reduction efforts will continue.

Continuing Reform of Our Federal System

The overall efficiency of Government in the United States can also be improved by a more rational sorting out of governmental responsibilities among the various levels of government—Federal, State, and local—in our Federal system, and eliminating or limiting overlapping and duplication.

In 1981, the Congress responded to my proposals by consolidating 57 categorical programs into 9 block grants. In 1982, block grants were created for job training in the Jobs Training Partnership Act, and for urban mass transit in the Surface Transportation Act. The initiatives to be proposed this year will expand on these accomplishments.

Four new block grants will be proposed, with assured funding for major functions now addressed through categorical grants:

- A general Federal-State block grant covering approximately 15 categorical pro-

grams.

- A Federal-local block grant that would include the entitlement portion of the community development grant program and the general revenue sharing program.

- A transportation block grant.

- A rural housing block grant.

The administration is improving the management of intergovernmental assistance by providing State and local elected officials with greater opportunity to express their views on proposed Federal development and assistance actions before final decisions are made. Under Executive Order 12372, Intergovernmental Review of Federal Programs, which I signed in July 1982, Federal agencies must consult with State and local elected officials early in the assistance decision process and make every effort to accommodate their views. The Order also encourages the simplification of State planning requirements imposed by Federal law, and allows for the substitution of State-developed plans for federally required State plans where statutes and regulations allow.

Through the President's Task Force on Regulatory Relief and the regulatory review process, the administration is eliminating and simplifying regulations affecting State and local governments that are burdensome, unnecessary, and counter-productive. These changes have improved local efficiency and accountability and reduced program costs. Twenty-five reviews were completed during the past 2 years by either the Task Force or by various Federal agencies. Available data indicate that regulatory relief actions will save State and local governments approximately \$4 to \$6 billion in initial costs, and an estimated \$2 billion on an annual basis. My administration is also simplifying selected, generally applicable cross-cutting requirements that are imposed on State and local governments as a condition of accepting financial assistance.

Federal Credit Programs: More Selective

The administration continues its strong commitment to control Federal credit assistance, which has serious effects on the Nation's financial markets. To this end, I propose a credit budget that reverses the accelerated rate of growth in direct and guaranteed lending by the Federal Government that occurred during the second half of the 1970's and the first years of the 1980's.

Federal intervention through guarantees and provision of direct lending misdirects investment and preempts capital that could be more efficiently used by unsubsidized, private borrowers. Because federally assisted borrowers are frequently less productive than private borrowers, large Federal credit demands must be reduced in order to improve prospects for economic growth.

Conclusion

The stage is set; a recovery to vigorous, sustainable, noninflationary economic

growth is imminent. But given the underlying deterioration in the overall budget structure that has occurred over the past 2 years, only the most sweeping set of fiscal policy changes could help to reverse the trend and set the budget on a path that is consistent with long-term economic recovery.

If the challenge before us is great, so, too, are the opportunities. Let us work together to meet the challenge. If we fail, if we work at cross purposes, posterity will not forgive us for allowing this opportunity to slip away.

RONALD REAGAN

January 31, 1983.

Note: The President's message is printed in the report entitled "Budget of the United States Government, Fiscal Year 1984—Executive Office of the President, Office of Management and Budget" (Government Printing Office).

Remarks at the Annual Convention of the National Religious Broadcasters

January 31, 1983

Thank you all very much, and thank you, Brandt Gustavson.¹ Ladies and gentlemen, the distinguished guests, thank you all very much.

I had a little problem last night myself with regard to my name. [*Laughter*] I thought about a week ago that maybe I would persuade someone to change their name from Riggins to Reagan. [*Laughter*] But after yesterday afternoon, I thought maybe I ought to change my name to his. [*Laughter*]

You all have an expression among you that—well, first of all, you confess to being poor audiences for others; I haven't found it so. But you also have an expression about preaching to the choir. I don't know just exactly what my address, how that fits

under that today, but what a wonderful sight you are.

In a few days I'll be celebrating another birthday which, according to some in the press, puts me on a par with Moses. [*Laughter*] That doesn't really bother me, because every year when I come here, when I look out at your warm and caring faces, I get a very special feeling, like being born again.

There's something else I've been noticing. In a time when recession has gripped our land, your industry, religious broadcasting, has enjoyed phenomenal growth. Now, there may be some who are frightened by your success, but I'm not one of them. As far as I'm concerned, the growth of religious broadcasting is one of the most heartening signs in America today.

When we realize that every penny of that growth is being funded voluntarily by citizens of every stripe, we see an important

¹ *President of the National Religious Broadcasters.*

truth. It's something that I have been speaking of for quite some time—that the American people are hungry for your message, because they're hungry for a spiritual revival in this land. When Americans reach out for values of faith, family, and caring for the needy, they're saying, "We want the word of God. We want to face the future with the Bible."

Facing the future with the Bible—that's a perfect theme for your convention. You might be happy to hear that I have some "good news" of my own. Thursday morning, at the National Prayer Breakfast, I will sign a proclamation making 1983 the Year of the Bible.

We're blessed to have its words of strength, comfort, and truth. I'm accused of being simplistic at times with some of the problems that confront us. But I've often wondered: Within the covers of that single Book are all the answers to all the problems that face us today, if we'd only look there. "The grass withereth, the flower fadeth, but the word of our God shall stand forever." I hope Americans will read and study the Bible in 1983. It's my firm belief that the enduring values, as I say, presented in its pages have a great meaning for each of us and for our nation. The Bible can touch our hearts, order our minds, refresh our souls.

Now, I realize it's fashionable in some circles to believe that no one in government should order or encourage others to read the Bible. Encourage—I shouldn't have said order. We're told that will violate the constitutional separation of church and state established by the Founding Fathers in the first amendment.

Well, it might interest those critics to know that none other than the Father of our Country, George Washington, kissed the Bible at his inauguration. And he also said words to the effect that there could be no real morality in a society without religion.

John Adams called it "the best book in the world." And Ben Franklin said, "... the longer I live, the more convincing proofs I see of this truth, that God governs in the affairs of men . . . without His concurring aid, we shall succeed in this political building no better than the builders of Babel; we shall be divided by our little, par-

tial, local interests, our projects will be confounded, and we ourselves shall become a reproach, a bye-word down to future ages."

So, when I hear the first amendment used as a reason to keep the traditional moral values away from policymaking, I'm shocked. The first amendment was not written to protect people and their laws from religious values; it was written to protect those values from government tyranny.

I've always believed that this blessed land was set apart in a special way, that some divine plan placed this great continent here between the two oceans to be found by people from every corner of the Earth—people who had a special love for freedom and the courage to uproot themselves, leave their homeland and friends to come to a strange land. And, when coming here, they created something new in all the history of mankind—a country where man is not beholden to government, government is beholden to man.

I happen to believe that one way to promote, indeed, to preserve those traditional values we share is by permitting our children to begin their days the same way the Members of the United States Congress do—with prayer. The public expression of our faith in God, through prayer, is fundamental—as a part of our American heritage and a privilege which should not be excluded from our schools.

No one must be forced or pressured to take part in any religious exercise. But neither should the freest country on Earth ever have permitted God to be expelled from the classroom. When the Supreme Court ruled that school prayer was unconstitutional almost 21 years ago, I believe it ruled wrong. And when a lower court recently stopped Lubbock, Texas, high school students from even holding voluntary prayer meetings on the campus before or after class, it ruled wrong, too.

Our only hope for tomorrow is in the faces of our children. And we know Jesus said, "Suffer the little children to come unto me, and forbid them not, for such is the kingdom of God." Well, last year we tried to pass an amendment that would allow communities to determine for themselves whether voluntary prayer should be permit-

ted in their public schools. And we failed. But I want you to know something: I'm determined to bring that amendment back again and again and again and again, until—[*applause*]—

You know, we were frustrated on two other fronts last year. There are 5 million American children attending private schools today because of emphasis on religious values and educational standards. Their families, most of whom earn less than \$25,000 a year, pay private tuition, and they also pay their full share of taxes to fund the public schools. We think they're entitled to relief. So, I want you to know that shortly, we'll be sending legislation back up to the Hill, and we will begin the struggle all over again to secure tuition tax credits for deserving families.

There's another struggle we must wage to redress a great national wrong. We must go forward with unity of purpose and will. And let us come together, Christians and Jews, let us pray together, march, lobby, and mobilize every force we have, so that we can end the tragic taking of unborn children's lives. Who among us can imagine the excruciating pain the unborn must feel as their lives are snuffed away? And we know medically they do feel pain.

I'm glad that a "respect human life" bill has already been introduced in Congress by Representative Henry Hyde. Not only does this bill strengthen and expand restrictions on abortions financed by tax dollars, it also addresses the problem of infanticide. It makes clear the right of all children, including those who are born handicapped, to food and appropriate medical treatment after birth, and it has the full support of this administration.

I know that many well-intentioned, sincerely motivated people believe that government intervention violates a woman's right of choice. And they would be right if there were any proof that the unborn are not living human beings. Medical evidence indicates to the contrary and, if that were not enough, how do we explain the survival of babies who are born prematurely, some very prematurely?

We once believed that the heart didn't start beating until the fifth month. But as medical instrumentation has improved,

we've learned the heart was beating long before that. Doesn't the constitutional protection of life, liberty, and the pursuit of happiness extend to the unborn unless it can be proven beyond a shadow of a doubt that life does not exist in the unborn? And I believe the burden of proof is on those who would make that point.

I read in the Washington Post about a young woman named Victoria. She's with child, and she said, "In this society we save whales, we save timber wolves and bald eagles and Coke bottles. Yet everyone wanted me to throw away my baby." Well, Victoria's story has a happy ending. Her baby will be born.

Victoria has received assistance from a Christian couple, and from Sav-A-Life, a new Dallas group run by Jim McKee, a concerned citizen who thinks it's important to provide constructive alternatives to abortion. There's hope for America. She remains powerful and a powerful force for good, and it's thanks to the conviction and commitment of people like those who are helping Victoria. They're living the meaning of the two great commandments: "Thou shalt love the Lord thy God with all thy heart, and with all thy soul, and with all thy might" and "thou shalt love thy neighbour as thyself."

Each year, government bureaucracies spend bills [billions] for problems related to drugs and alcoholism and disease. Has anyone stopped to consider that we might come closer to balancing the budget if all of us simply tried to live up to the Ten Commandments and the Golden Rule?

That's what's happening with CBN and the 700 Club's "Operation Blessing." They've given nearly \$2½ million to more than 8,500 churches, and this money is then matched by the local churches. The result has been fantastic: More than 100,000 needy families helped, either through direct or in-kind contributions, ranging from food and clothing to education, dental care, and housework.

The PTL-TV network is carrying out "A Master Plan for People that Love," opening centers all across the country to provide food, clothing, furniture, and job bank centers at no cost. Don't listen to those

cynics—some of them here in the Capital—who would run our country down. America's heart is strong, and its heart is good.

You know, I mentioned drugs a moment ago. And I hope you'll forgive me if I digress just long enough—because I don't often get the chance to say this publicly—how proud I am of Nancy and the job she's doing helping to fight drug addiction.

I do that every day for her. [*Laughter*]

I know that each of you is contributing in your own way to rebuilding America, and I thank you. As broadcasters, you have unique opportunities. And all of us, as Protestants, Catholics, and Jews, have a special responsibility to remember our fellow believers who are being persecuted in other lands. We're all children of Abraham. We're children of the same God.

You might be interested to know about a few of the changes that we're making at the Voice of America. Our transmissions of Christian and Jewish broadcasts are being expanded and improved. This year, for the first time in history, the Voice of America broadcast a religious service worldwide—Christmas Eve at the National Presbyterian Church, in Washington, D.C.

Now, these broadcasts are not popular with governments of totalitarian powers. But make no mistake, we have a duty to broadcast. Aleksandr Herzen, the Russian writer, warned, "To shrink from saying a word in defense of the oppressed is as bad as any crime." Well, I pledge to you that America will stand up, speak out, and defend the values we share. To those who would crush religious freedom, our message is plain: You may jail your believers. You may close their churches, confiscate their Bibles, and harass their rabbis and priests, but you will never destroy the love of God and freedom that burns in their hearts. They will triumph over you.

Malcolm Muggeridge, the brilliant Eng-

lish commentator, has written, "The most important happening in the world today is the resurgence of Christianity in the Soviet Union, demonstrating that the whole effort sustained over 60 years to brainwash the Russian people into accepting materialism has been a fiasco."

Think of it: the most awesome military machine in history, but it is no match for that one, single man, hero, strong yet tender, Prince of Peace. His name alone, Jesus, can lift our hearts, soothe our sorrows, heal our wounds, and drive away our fears. He gave us love and forgiveness. He taught us truth and left us hope. In the Book of John is the promise that we all go by—tells us that "For God so loved the world that He gave His only begotten Son, that whosoever believeth in Him should not perish, but have everlasting life."

With His message and with your conviction and commitment, we can still move mountains. We can work to reach our dreams and to make America a shining city on a hill. Before I say goodbye, I wanted to leave with you these words from an old Netherlands folk song, because they made me think of our meeting here today:

We gather together to ask the Lord's blessing.

We all do extol Thee, Thou leader triumphant

And pray that Thou still our Defender wilt be.

Let Thy congregation escape tribulation. Thy name be ever praised! O Lord, make us free!

To which I would only add a line from another song: America, America, God shed His grace on thee.

Thank you again.

Note: The President spoke at 2:07 p.m. in the main ballroom at the Sheraton Washington Hotel.

Letter to the People of Europe on Arms Control and Reduction *January 31, 1983*

American and Soviet officials have just resumed negotiations aimed at reaching an agreement to control intermediate-range nuclear weapons. We have proposed and will continue to urge the Soviets to agree to ban altogether both their intermediate-range land-based nuclear missile weapons and those we intend to deploy in response to their build-up. The Soviet insistence on maintaining a nuclear threat to America's Allies while denying them the corresponding means to deter that threat remains the principal obstacle.

A way must be found to overcome this obstacle. Just as our Allies can count on the United States to defend Europe at all cost, you can count on us to spare no effort to reach a fair and meaningful agreement that will reduce the Soviet nuclear threat.

In this spirit, I have asked Vice President Bush, in the city where East meets West, to propose to Soviet General Secretary Andropov that he and I meet wherever and whenever he wants in order to sign an agreement banning U.S. and Soviet intermediate-range land-based nuclear missile weapons from the face of the Earth.

I make this offer out of a conviction that such an agreement would serve the interests of both sides and, most importantly, that the people of Europe want nothing more. I urge Mr. Andropov to accept it.

Note: The White House announced that the letter was included in a speech by the Vice President, which was delivered on January 31 in Berlin.

Memorandum Urging Support of the American National Red Cross *January 31, 1983*

Memorandum for the Heads of Executive Departments and Agencies

Subject: Red Cross Month, 1983

March has just been designated Red Cross Month by Presidential Proclamation. It is a period when the American Red Cross will seek to swell its ranks of volunteers to carry on its vital service to this Nation. We depend upon the Red Cross for the collection and distribution of blood, for vital health and safety knowledge, for services to members of the military, veterans and their families, for help in times of disaster, and for training young people to undertake the responsibilities of leadership.

We, as Federal employees, can do much to assure that Red Cross Month is a success by becoming a Red Cross volunteer, by donating blood and by supporting our Red Cross chapter's membership and enrollment

efforts.

Within the Federal government, the Red Cross is a part of the Combined Federal Campaign, while more than half of its 3,000 chapters raise all of their funds during March. All chapters, however, will use the month to inform the public of Red Cross services and to recruit new blood donors and volunteers.

As President of the United States and as Honorary Chairman of the American Red Cross, I urge all civilian employees of the Federal government and members of the Armed Forces to support this voluntary effort.

RONALD REAGAN

Note: The text of the memorandum was released by the Office of the Press Secretary on February 1.

Interview With Jerry Boyd of the St. Louis Post-Dispatch on Domestic and Foreign Policy Issues February 1, 1983

Fiscal Year 1984 Budget

Mr. Boyd. You've had a rather strong attack from Speaker O'Neill—[inaudible]—where the budget is concerned. How do you respond to that?

The President. Well, I think that possibly Tip is speaking from the always present leaks and from maybe some of the things that he's been reading. But he only yesterday received the budget itself. And I know yesterday morning in a conversation we had, he raised some points about the need for job training and some things of that kind, and we were able to point out to him that we would be very happy to talk with him about that after he's read what was already in our budget proposal.

Mr. Boyd. Does that indicate you could compromise on the jobs issue?

The President. I think you always—[inaudible]—sit down and see where you can come together on something that will be beneficial to the people. We think that he will be pleasantly surprised when he sees the direction we've taken on the budget—[inaudible].

Mr. Boyd. How far would you be willing to go for jobs programs?

The President. Well, we think that it is far more important to stress the idea of training, because we think there are a lot of people unemployed today at a time when there are jobs available. The increase in the advertising of employers seeking workers in all of the metropolitan papers in the country indicates that.

Mr. Boyd. The Democrats seem to want more.

The President. Well, I think some of them are thinking more in terms of the public work types of jobs, and that is not going to restore the economy and get the wheels turning again, which has to be the long-time answer to the problem.

Now, let me make plain, this doesn't mean that there aren't tasks that need doing. Evidence of that was our own passage or request for the 5-cent tax to rebuild

the deteriorating highway and bridge system in this country.

Mr. Boyd. Is there anything else along those lines that you're considering?

The President. This is something to look at and, many instances, see where it could fit in with job creation.

Mr. Boyd. You've had people in your own party such as Baker and Michel raising a possibility that you'll have to cut defense a little bit more than you've been willing to do. Can you go along with that?

The President. No, and I think if they will—if everyone will hold their fire until they understand the situation, they'll see that we voluntarily have been making some reductions based on management improvements, the reduction of inflation, so that the original plan that we submitted in 1981, the 5-year buildup, has been reduced already by some \$58 billion. And the bulk of that was voluntary reduction by the Defense Department.

Mr. Boyd. Well, if they don't—

The President. I one day told Cap, I was joking, but I told Cap—I said, "Cap, you've got all those savings; you should play politics. You should leave them in the budget and then reluctantly give them up when they start telling you to cut the budget."

Mr. Boyd. Well, if people like Baker and Michel don't hold their fire, what are you going to do?

The President. Well, I'm going to have to fight back, because, first of all, the bulk of the defense budget is for personnel and readiness. We have men and women in uniform in our volunteer military that a couple of years ago, it was a disgrace. We were acting as if we were still in a war and they were draftees. Those with families found themselves eligible for welfare.

Now we have increased the pay for those people to something comparable with what they're doing. And yet even here, in this budget, we're asking them to make a sacrifice and not take a cost-of-living pay raise, as we're asking the civilian employees. And

I regret that very much, that we have to do that, because we're just getting them up to something that is fair, at least.

Now, that leaves, if they're going to cut, they're going to have to cut in weapons systems, and these are the least of the spending. You will get very little savings in proportion to the deficit we're trying to hold down if you wiped out all the vehicles and all the airplanes and even the reserve ammunition that we're seeking to buy, to say nothing of ships and planes.

Mr. Boyd. There are some people who say, on the deficit issue, that you have intentionally been rather overly cautious and that you expect a much rosier picture down the road, and therefore you won't have as high deficits. Is that true?

The President. Well, what we're trying to do—because we don't want to get engaged in a debate up on the Hill that we're—as is sometimes in the past they've tried to do—their saying that we were coming up with rosy estimates. And to get in that argument, what we have to look at is that among all the experts, all those who project economic estimates, there is a wide range of difference. Now, you can't say some are more expert than others; so you have to say there's real leeway in there.

So, we've looked at what the most pessimistic say about the recovery, what the most optimistic say. And then we have tried to come down at a point that is neither at the bottom or at the top, but that recognizes what might be, based on history, a fair assumption of where it will turn out.

Mr. Boyd. What do you believe, though?

The President. I actually think that we are being conservative and being modest with—I happen to be an optimist, and I believe that some of the signs, the indications, the fact that there is a stored-up market out there with just one figure, has to do with where we're visiting today.

A few years ago, the average length of time that people drove an automobile before they bought a new one was a little over 3 years. Today the average age of the automobiles on the road is 7 years. That indicates to me that there may be more of a backed-up market that has been delayed by the high interest rates and all that, when they can and do start buying.

Mr. Boyd. When do you see that happening? Do you think we're into a recovery already or is it beginning?

The President. I think the recovery has begun—and I have to put it that way. We've had 9 months now in which, out of the 8 of those 9 months, all the economic indicators are up. But I think the key still lies in further reduction of the interest rates.

Mr. Boyd. What I see you saying is, if I understand you, that you expect a lower deficit than what's included in the budget.

The President. Well, I think—let me put it this way: Just being an optimist, I'll stick with our assumption. But I personally have a—well, let's call it a hope that it may be a firmer recovery than is estimated.

Legal Services Corporation

Mr. Boyd. Okay. A nonbudget issue. Your administration has tried to make some changes in the Legal Services Corporation. And you have people on the Board of Directors who have been charging the public for some fees that raise questions. How do you feel in general about the Legal Services Corporation?

The President. Well, I'm glad you asked that, because, first of all, these totally false charges that would indicate that someone is doing wrong or taking the Government ignored the fact that the commission, under the law, is paid on a consultant basis on the hours they put in. And our commission just happened to put in more hours than the previous one, because we did want some reforms in that legal system. Also, the Congress had raised the hourly rate, and that was before we got on the scene.

But I saw the legal commission from a different angle when I was Governor. I saw what they did. They were created to make necessary legal services available to people who might have a grievance that required legal redress but couldn't afford a lawyer. We found that more—they weren't doing that, the Legal Services Corporation, as much as they were seeming to drum up class-action suits against the Government and, in other words, try to use their organization to legislate reforms. And this—this at the expense of those individuals who had

some legitimate legal claim and needed legal help in pursuing it.

Mr. Boyd. So, they went too far?

The President. Yes.

U.S.-Soviet Relations

Mr. Boyd. On the foreign policy front, were you trying to send a new signal to the Soviet Union through Vice President Bush in West Berlin?

The President. No; frankly, I was simply responding to their vast propaganda effort that would try to discount our legitimate proposal for arms reduction.

Mr. Boyd. Well, there are a lot of people who say that if you're really serious about it, the thing to do is just to call for a summit with Mr. Andropov without any kind of conditions, sit down and try to work it out. Is that out of the question?

The President. No, but a summit takes a lot of organization. You don't just say, "Hey, let's sit down and talk about things." You look at the history of past summits, and you see that great time has been spent on arriving at what would be a practical agenda. And now we have three teams in Geneva negotiating arms reductions and this all at our instigation. And suddenly there is a propaganda campaign that seems to be aimed at posing them as the people who want peace, and that there's somehow something wrong in our proposals.

Mr. Boyd. What are you trying to do about it? What would you like to do about it?

The President. Well, I just called attention to what I had said a year ago November when I proposed that we start with the intermediate weapons now aimed at Europe, and to see whether we couldn't arrive at a zero base where they with their, well, more than a thousand warheads targeted on Western Europe. Western Europe with no deterrent to prevent their using them had asked for us to provide a deterrent missile system. We had agreed. And I said that it seemed more logical to me that, if they would destroy their missiles, we wouldn't install ours. And Western Europe and Russia would be free of that nuclear threat.

Mr. Boyd. You seem to be discounting any chance of a summit any time in the near future.

The President. We've been in constant communication with them; you know, we're not silent with each other. And, no, I have announced principle, I support a summit meeting. I don't want, however, something to take away from this legitimate negotiation that's going on to reduce weapons. That's why I said there's going to be a fine place for me to have a meeting with Mr. Andropov, and that would be to sign a negotiated agreement on the reduction of arms.

The Middle East

Mr. Boyd. On the Middle East, is there any reason to believe that King Hussein might agree to come into the peace process by March 1st?

The President. He has been most helpful. And I believe that—although, I don't know what the date would be or anything—I know that—

Mr. Boyd. Do you think that's a deadline he set—

The President. No—

Mr. Boyd. —for making a decision?

The President. —well, he has been most helpful and, I think, would be prepared to do this. But I think, and I'm sure he thinks, that we have got to resolve this situation in Lebanon first and get all the foreign forces to withdraw.

Mr. Boyd. Did you give President Mubarak any reason to believe that the situation in Lebanon might be resolved—at least progress was being made in resolving it?

The President. No. We discussed, very openly, this, and whatever information we had for each other on the situation, we exchanged it. And he, too, believes that the beginning step must be, as we've said, the removal of the foreign forces from Lebanon.

Mr. Boyd. Do you see that happening anytime soon?

The President. It's taking longer than I'd hoped it would take. There seem to be some stubborn people around. But we've got to help Lebanon reestablish itself as a sovereign nation.

Times Beach, Mo.

Mr. Boyd. One local prerogative, local

question. There are some people out in a community called Times Beach that's had a dioxin problem and have been wondering if you would drop by to visit. You're going to Fenton, which is near Times Beach. You're not going by?

The President. No, this schedule doesn't permit that today.

Mr. Boyd. Did you give that any consideration?

The President. Well, we're giving full consideration to their problem out there. And we have been working very closely with the Governor and others. And we have been putting together a kind of a community program, and I think that that will be finalized within the next several days.

It is a complicated problem. We have increased greatly the number of laboratories to—we've completed the job of taking the samples, more than 300 samples from homes, from the area, from fields and so forth. And we've increased the number of laboratories working to see exactly what the problem is and how real is the threat.

Mr. Boyd. Well, wouldn't a Presidential visit there have helped to encourage the residents?

The President. Well, I don't know, now. How do you visit when the real thing is you're telling the people to stay away until we know whether it's dangerous or not? And we have provided housing away from there for several hundred families.

Mr. Boyd. You seem well aware of the situation. Have you been briefed recently on it? I mean, you seem to really know what's going on there.

The President. Well, I've been kind of keeping track of it.

Mr. Boyd. Okay. Well—one other question, I can't think of. [*Laughter*] So, I guess it's not important. [*Laughter*]

Thank you very much.

The President. That is just like an argument. You will think of it this afternoon—[*laughter*]*—4 hours later.*

Mr. Boyd. I really appreciate it.

The President. Well, this was a pleasure. It was good to see you.

Deputy Press Secretary Speakes. Good interview, Jerry.

Note: The interview began at 10:43 a.m. on board Air Force One while enroute to St. Louis, Mo.

Remarks to Employees at the Chrysler Corporation of St. Louis Assembly Plant in Fenton, Missouri

February 1, 1983

Governor Bond, Senator Danforth, the Members of the Congress representing you in Washington, Mr. Iacocca, friend here who has been driving us around this plant:

I've been having a little nostalgia here, because I used to do some plant tours when I was doing a show called "The General Electric Theatre." And I used to stand before groups of the employees going through some of the 139 plants, and for want of something better to do, I'd tell them to ask questions. And one of the questions I used to get the most was, "How does it feel to see yourself on the late, late movie?" And I said, "It's like looking at a son you never knew you had." [*Laughter*] But I can't tell you how good it is to see an

assembly line producing American cars, and especially Chryslers.

The last time I was in a plant it was the Chrysler plant in Detroit, and it was during the campaign. I know that Chrysler employees here in Fenton have had a rough time the last few years. But I want you to know that—and I really mean it—America is on the mend, and both the economy and Chrysler are on the comeback trail.

Thank heaven I can say those words that autoworkers love to hear, which is auto sales are up, and that's having its effect. Now, Lee has told me that 1,700 of your fellow autoworkers are being called back to their jobs when a second shift begins in July; 1,500 more will be coming back when

plant two resumes operation in the summer. And, all in all, as he told you, Chrysler is investing \$150 million to get these two facilities working again.

The other auto companies are beginning to feel the recovery as well. You won't mind my mentioning them. Ford Hazelwood plant is bringing on another shift, and so is that other little company, General Motors—[laughter]—and they're calling back some employees.

An economic recovery is something like a seedling. For awhile it grows underground, and you don't see it above ground, and then it shoots up and seeds sprouting all over the place. And that's what we're starting to see around the Nation right now, the shoots of an economic recovery are beginning to push up through the recession with its attending unemployment.

It's no accident that the leading economic indicators are up for 8 of the last 9 months. What we've been trying to do hasn't been too well understood by some, or maybe there's others that didn't want to admit it, but we want to lay a solid foundation for long-term growth. We want an economic base so that you won't have to go through the pain again that you've experienced. And I believe that we've laid that kind of a foundation.

Remember what an enemy inflation used to be? It was murderous. Well, inflation has been brought down from 12.4 percent 2 years ago to 3.9 percent. And we've taken the lead in reducing the interest rates, which have been poison as far as car sales are concerned. The prime rate was 21½; it's now down to 11; but that's not low enough. We're going to keep on pushing on that and inflation until they're both down some more.

I know the auto companies and the UAW are doing everything they can to get things turned around as well. I wanted to stop by here today and say that the American people know that the United States—or the U.S. autoworkers are still the greatest autoworkers in the world, bar none.

I know, too, that you've had here, in what's going on, the cooperation of Governor Bond and the State government of Missouri. And that's the way it should be also, that government shouldn't be a heavy hand in your pocket and holding you down. It should be cooperating and helping to let private enterprise do the job that it can do in keeping people at work. With your help and Chrysler's help and the help of so many other hard-working people and companies, we're going to get this economy humming like one of those Chrysler engines I saw you just stuffing in the body back there.

I know there's been a lot of misunderstanding, and I know that many of you have been told a lot of things about what we're supposed to be doing or not doing. Very simply, my idea of what the Federal Government should be doing is reducing the cost of government to the lowest practical point at which you can leave the most of your earnings in your pocket that is possible and still do and fill the responsibilities of government. And with that, to stop this inflation binge, which has been the longest continued worldwide inflation the world has ever known—and that has been the cause of the high interest rates—bring them down, reduce the regulations and restrictions that have been hampering business and adding to the cost of the product, make us once again competitive in the world market.

Now, if you can find a better program than that, you buy it. I just wanted you to know, I'm not above stealing a good line when I hear one. [Laughter]

But it's been a great pleasure to be here. I know we're due at some other stops now and have to get going, but thank you all, and God bless you.

Note: The President spoke at 11:55 a.m. in the assembly plant. Prior to his remarks, he was given a tour of the plant. Among those accompanying him on the tour was Lee Iacocca, chairman of Chrysler Corp.

Remarks and a Question-and-Answer Session at a Luncheon Meeting of the St. Louis Regional Commerce and Growth Association in Missouri February 1, 1983

The President. Thank you very much. Thank you. Thank you, Bob Hyland, Governor Bond, Senator Danforth, the Representatives of our House who are here, and the other distinguished guests, you ladies and gentlemen.

I didn't know I was in the movie until the last scene came on, and then I couldn't clap. [Laughter] But believe me, I do applaud that picture—until that moment. It was beautiful. And I would have enjoyed it even more if I wasn't the one who had to follow it with a speech. Those pictures, the words and the music to touch our hearts. And I believe they capture a feeling that's very much with us today. The spirit of St. Louis is alive, and that's the spirit that will rebuild America.

It's a great privilege to stand before your group. I've always believed that entrepreneurs are the forgotten heroes of America. In your dreams and in your courage to take great risks rest America's best hopes for more jobs, stronger growth, and a higher standard of living. Two of every three new jobs are created in firms in America with fewer than 100 employees. If we're to remain true to America, we must preserve and enhance the possibility for every small business man and woman to make it big.

Just 1 week ago, I addressed the Congress and I told them that, thanks to the courage, the patience, and the strength of people like you, America is on the mend. One of the networks, following that speech, did a telephone survey to find out if the people felt that way. Well, 73 percent of your fellow citizens said, "Yes, it was."

Well, we still have a mountain of challenges to surmount, but the evidence of recovery continues to build. Leading economic indicators are up 8 of the 9 last months. Housing starts and permits are up. Real wages are growing. Auto sales are strengthening. Construction contracting is rising. Unemployment claims are heading down. And there's one more venture capital—or

one more figure, I should say, venture capital. Investments in the development of small businesses have actually reached—in this time of recession—record levels in our history.

Sometimes statistics seem mighty impersonal. Well, today I saw a different kind of proof, the kind that warms your heart and gives pause even to the most hardened cynic. I've just come from that Chrysler plant at Fenton, and I can report to you the men and women are back on the job. They're moving cars off the line. They believe this great nation is on her way back to the top, and they're right. General Motors and Ford are calling back workers and creating jobs, too. By some estimates, auto employment here could increase up to 71 percent, here in the St. Louis area, by next August. What a shot in the arm that would be for Missouri's economic growth.

We're beginning to receive the payoff that we've all been waiting for—the reward for painful but essential steps to cure a disease that was crippling America and undermining our security. This is not a fashionable idea in some parts of Washington. But the record inflation, interest rates, and taxes of 1980 were caused by a government Goliath growing too fat, spending too much of your money, and only the people were saying, "This has got to stop."

There seems to be a little confusion about a sentence I used in my State of the Union speech last week—that we, in government, must take the lead in restoring the economy. Some people seemed to think that I was advocating a return to the old ways. I didn't mean anything of the kind. What I meant was, government was largely responsible for creating the economic mess of recent years; now it must recognize that and start undoing the damage it has done.

We have a plan for America's future. It isn't easy, and it isn't quick. But it will work, because it's designed to attack prob-

lems at their roots rather than pretending to legislate them away with still another quick fix.

We had to take the lead in bringing down double-digit inflation by slowing the growth of spending and money growth. Well, we did bring inflation down—all the way from 12.4 percent to 3.9. And now, we must keep it down.

We had to take the lead in bringing down the interest rates that were wrecking small business, and we have brought them down—from 21½ percent to 11 percent. And we're determined to do better. We must do better and get them down further.

We had to take the lead in doing something about runaway regulations that were smothering enterprise. So, we're pursuing a long-term program to deregulate key areas of the economy. By next fall, Americans will spend 300 million fewer hours on government required paperwork than they were doing just 2 years ago when we took office. That bureaucratic monster who would slay private enterprise is being taught a new command. It's called "heel." [Laughter] You're still forced to spend too many hours on government forms, but we're continuing to work on that, and we're going to get a few hundred million more of those hours done away with.

We had to reverse the dangerous decline in savings and investment choked off by higher and higher taxes. All personal tax rates are being reduced still 25—or another 10 percent. It'll be a total of 25 percent, the first real reduction in nearly 25—or 20 years. And this is especially important for small businesses—which are mainly self-proprietorships—and for encouraging venture capital.

We're raising the estate tax exemption for family farmers and family businesses to \$600,000. Of even greater help, there will no longer be any estate tax for a surviving spouse. And, beginning in 1985, tax rates will be indexed to protect people from being pushed into higher tax brackets when they get cost-of-living pay raises.

Let me say that I will fight any move against the third year of the tax cut or indexing. They must go into effect on schedule. Without that final tax cut, that final installment, Americans will shoulder a

higher tax burden than ever before. And repealing indexing—well, indexing is just a sleight-of-hand—or, I mean, not indexing is sleight-of-hand, inflation is. Rather than bringing spending down closer to revenues, government simply raised revenues the sneaky way. It used inflation to push every working family in America toward higher and higher tax brackets. Ironically, they call this progressive, compassionate, and fair. It reminds me of Samuel Johnson's comment about a fellow who couldn't see the difference between virtue and vice. And Samuel Johnson's advice was, "When he leaves, count the spoons." [Laughter]

Must the people always do with less so government can spend more? Or should government hold the line so that people can save and America can grow again? We aren't reducing tax rates in 1981 and '82 and '83 just so we can turn around and raise the rates in '84 and '85 and every year after that and do it by way of indexing without anyone having to pass a tax bill.

There'll be an attack that we believe they should end. This is particularly true of the indexing. But I say that not indexing, government, has made a profit on inflation. And there is no way that we should permanently leave in place an incentive for government to again stimulate inflation in order to increase its own revenues without having the nerve to pass a tax bill.

Lowering the tax burden is vital to our strategy for lasting growth through greater savings, investment, and production. And that strategy is beginning to work. Those who would destroy the incentives to reduce projected deficits will instead sabotage recovery and make deficits much worse.

So again, we in government must take the lead with a genuine recovery budget. First, we believe that Federal spending in 1984, overall, should increase no more than the rate of inflation. Our budget includes the 6-month freeze and the cost-of-living adjustments recommended by the bipartisan Social Security Commission. We are also requesting a spending freeze on many Federal programs, including a 1-year freeze on Federal pay and pensions.

I hated a little bit to do that with regard to the military, because they for so long

have been on a starvation diet, and we finally were just getting their pay scale up somewhat commensurate with what our men and women in uniform should get. But the other day on television, I saw a sergeant over at Ft. Myers. They caught him out there on the grounds and asked him how he felt about having his pay frozen. And he said, "Well, I'd like, like anyone, I'd like to get a pay raise." But then he said, "If the Commander in Chief says that that's necessary to make our country better, I'm for the pay freeze." Having access to a few phone numbers, I couldn't help but call him and tell him how grateful I was and how proud I was to have him in uniform.

Well, many of the people who pay the government's bills have already endured tremendous hardships themselves. And that's why I feel that we can ask others and those in government to sacrifice, too. People who work in the world of risk have no guarantee of profits, income, cost-of-living pay raises, or indexed pensions, let alone a job. Yet, they're the ones who must produce the abundance to fund the government programs which keep America strong and assist those in need.

Second, you've all heard that much of Federal spending is uncontrollable. These are the automatic spending programs, the so-called entitlements. They have a built-in cost increase. Well, in our budget, we propose basic structural reforms in those programs. We will insist on fairness. Those in genuine need will be protected. But if we receive bipartisan support, what used to be out of control will be finally brought under control.

Third, we're adjusting our program to restore America's defenses by proposing \$55 billion in defense savings over the next 5 years. I share the desire for defense savings, and I'll continue to seek them. But our Armed Forces were neglected for more than a decade, while the Soviets forged ahead with the most massive military buildup in history. We cannot negotiate strategic arms reductions—which we're trying to do—with only trust and good will.

Americans will no longer tolerate just a facade of security. They expect our planes to fly, our ships to sail, and our helicopters to stay aloft. And only a few years ago, we

couldn't guarantee that they would. Yes, defense is expensive. But how much would we have spent to avoid World War II? Who will put a price on the lives of our soldiers lost at Guadalcanal and Tarawa, Omaha Beach, Anzio, or Bastogne? It's my duty as President, and the duty of all of us as citizens, to make sure that America is strong enough to remain free and at peace. There have been four wars in my lifetime. We didn't get in any one of them because we were too strong.

Finally, our budget does propose a standby tax that would not start until 1986, but would only start if the Congress had already passed our spending and budget control program, and only if the deficit still exceeded 2½ percent of gross national product, and only if recovery from the recession was fully underway. Now, I personally believe that economic recovery will make this standby tax unnecessary. In the meantime, this is our way of protecting the tax cuts and indexing that we've won for the American people. And I think it will reassure many of those out in the money markets today that we do mean to control inflation and interest rates.

Now, before I take your questions, which I know I'm going to do, let me just mention a few other initiatives where we're taking the lead to assist small business and encourage greater growth.

I've had the privilege of signing three pieces of legislation of special importance. Prompt payment legislation requires the government to pay its bills promptly, or pay interest penalties.

The Export Trading Company Act of 1982 will increase U.S. exports and jobs by encouraging the formation of export trading companies to serve as intermediaries for businesses in the international marketplace. It's time to start increasing American exports and to stop exporting American jobs.

The Small Business Innovation Development Act provides mandatory set-asides from the existing Federal research and development budget. This will allow small business to participate more fully in research efforts for our nation's future. For example, during the current fiscal year, this program will direct some \$40 million to \$50

million to small, high-technology firms for innovative research and development. By 1987, the program will provide nearly half a billion dollars to small business entrepreneurs for high technology, new products, new ideas, and new jobs.

The private sector is providing strong leadership here in St. Louis. I understand that Monsanto is giving the single, largest corporate grant to any university ever for high-tech research and development, about \$25 million to Washington University here in your city.

To strengthen our firms, to compete more effectively, to better mobilize the tools and resources of science and technology, we are creating a nonpartisan commission on industrial competitiveness to make specific policy recommendations. So, I'd like to ask you today, please, lend us your wisdom and all the time you can spare, that you have to spare, and we'll make good use of that time and your ideas.

We're a society that's in transition. Those who are hurting need help. We'll provide it. Yet, we must keep our eyes on the future and step up our efforts to train today's work force for tomorrow's world. We want America to remain in the forefront of the technological revolution. We have great hopes for the landmark Job Training Partnership Act that was passed last year. And we very much admire your strong commitment to training and job creation through organizations like OIC, the Metropolitan Re-employment Task Force, and the Say Yes program.

We're submitting to the Congress the Employment Act of 1983, designed to get at the special problems of the long-term unemployed. We'll propose extending unemployment benefits with special incentives to employers who hire the long-term unemployed and young people seeking summer jobs.

One of my great regrets last year was our inability to get our enterprise zones proposal passed by the Congress. And we'll be pressing hard for it this year. Your fine Governor, Kit Bond, he didn't wait. He helped Missouri become one of the 11 States to pass its own enterprise zones proposal. And since I used an old-fashioned word a few weeks ago that caught the press by surprise, I'll say he didn't wait for the government to

get off its keister.

Speaking of Kit Bond, he played a major leadership role in shaping the Small Business Revitalization program, together with the Small Business Administration and HUD. Already, 21 States, led by Missouri, have become active partners in this program. It's been estimated that this effort could result in billions of dollars for community development and the creation of thousands of new jobs, as Federal, State, and private resources are brought together.

We're a country with great problems. But we can solve those problems because we're a good people. From coast to coast, on the job and in the classrooms and laboratories, at new construction sites and in churches and community groups, neighbors are helping neighbors. They've already begun the building, the research, the work, and the giving that will make America great again.

Thank you for being Americans like that. Thank you for the spirit of St. Louis. I have no ambition higher than to prove worthy of the standards that you have set. God bless you all.

And now, I think I'm supposed to take some questions in the time that remains.

Budget Deficits

Mr. Hardy. Mr. President, we welcome you to the townhall forum which has become a part of the RCGA program. We have two microphones set up, one to your left and one to your right. We'll ask people to come up and ask their specific questions of you.

With your permission, sir, the first one—which may be a composite of a good many small businessmen here: With the budget deficit projections of a couple hundred billion for this year, \$188 billion for next year, and the subsequent competition for the funds for the Federal Government, what kind of help, if any, can you offer small business for access to what's going to be left in that available capital pool for their own expansion, their own inventory—anything at all?

The President. Well, for one thing, let me say that, already, the increased rate of personal savings has increased the amount of capital, private capital, in the capital pool

which should, to some extent, offset government's increased borrowing.

I wish I could give more of an answer than that for these next 2 years, but we do know that we're pretty much bound in by these two deficits. The recession is certainly responsible for probably half of those deficits, and a large part of them then is the thing that I mentioned—the structural problems, the built-in, unreducible things but which we're starting to reduce.

I can tell you that our projections call for, as we get beyond '84, for a decline and a rather steep decline in the deficits on out through 1988 that would take it considerably down and leave that capital pool available there. And I think with this next tax increase, what we're—tax cut, what we have already seen in the increase in personal savings rate, which has amounted to billions of dollars, tens of billions of dollars, will further increase that so that government won't have a monopoly on that available capital.

Mr. Hardy. Thank you, Mr. President. Would you direct your attention here, sir? Your question, please?

Flood and Dioxin Contamination in Times Beach, Missouri

Q. Mr. President, my name is Laine Jumper. I represent the Times Beach Businessmen's Association, and I think I come from the single most depressed area of small business in the United States of America. The question we have for you is three parts, basically. One, is there anything that you can do to help the small businessmen recover on a short-term basis from the double whammy of both the flood and the dioxin—the contamination situation in the Times Beach area? Two, would you be willing to allow a delegation from Times Beach to speak with you on the long-term solution to the terrible problem we have in Times Beach? And, three, would you be willing to appoint a citizen from Times Beach to your special task force to deal with the Times Beach situation?

The President. To the third one, yes. To the second one, I think that I've been kept pretty well aware and abreast of the problem that I know is there.

Let me just say about that that we are, as

you know—and in response to your Governor's request, we have named—out of all the bureaus and agencies that could be involved to get by some bureaucratic entanglements—we've named one man in charge of the Federal effort and working with the people of the State and the local level there. We have finished taking the samples, which we had to do with regard to the possibility of dioxin, one of the most toxic matters that we know of. We've taken those samples. We have tripled, now, the number of laboratories that are now running the tests to make sure if there is a threat, and the extent of the threat both in homes and in the area, in the open spaces and so forth of that area.

I know what it did to your business with regard to having to close that area and put up the barricades, but I don't think—until we know the threat from that dioxin—I don't think we could have done anything other and been responsible in our action if we had not said that people must avoid that until we know what the effect can be.

With regard to small business and others, having declared that an emergency area, as we did—again, at your Governor's request—that makes small business there available for Small Business Administration loans at the considerably lower rate of interest.

And we'll do what we can. We're housing about 80 percent of the people. They were the only ones who requested it. Some others have either returned to their homes or are living with friends or relatives. We're doing everything we can. And the community cooperative project that has been in the planning—we are expecting that to be completed 4 days from now, on February 5th. And we're expecting, also, to be hearing the results of the other problems I mentioned before the month is out. We're working as fast as we can on that.

And incidentally, as I saw a clipping in a paper that I was supposed to have received a letter about this that was never answered, I've had everybody combing through everything. We never received the letter. Now, whether the Post Office is to blame or not, I don't know. But we didn't get the letter. [Laughter]

Q. Mr. President, I have here a message for you from the citizens and the businessmen of Times Beach. Would you be willing to accept that now? I guarantee you it's not dioxin contaminated. [Laughter]

The President. I'd be very delighted to, and you could just bring it down—

Q. Thank you.

The President. —and hand it to somebody down here on this side of the rope.

Mr. Hardy. Mr. President, to your right, sir.

The President. Yes.

User Fees

Q. I'm Bill Schierholz of Chemtech, here in St. Louis. Mr. President, may I express our appreciation for your diligence and perseverance in bringing to final passage the 5-cent Federal excise tax on motor fuel? And may I tell you that here in Missouri, we're already putting it to good use. In expectation of these added funds, last Friday bids were received for about \$45 million in construction work on highways and bridges, and like amounts will be committed this month of February and next month in March. And very shortly, many of our citizens will be back at work on these important construction projects. And shortly after that, those of us who use the highways will be benefiting from the improvements which were much needed. The attractive feature of this whole thing was that it was a user fee, and funds are provided by users.

Now, a moment ago you referred to the concern for the Federal deficit. And many of us are terribly concerned about that. We also want to protect your position on the tax decreases. But I wonder if any consideration is being given to other user fees which will, in part, offset Federal expenditures?

The President. I can't tell you that there's, right now, any plan for anything of that kind. I know there was a great deal of talk and criticism that the 5-cent gas tax—that I had gone on record as saying it would take a palace coup before I would approve such a tax. I did say that. But I said it in answer to a question back at a time where they were talking about using it simply to raise general revenues.

Our Secretary—and now former Secretary—Drew Lewis of Transportation had

come to me more than a year ago with a review of what we were up against with regard to the highways—the deterioration—and the bridges—how many bridges in this country that school buses stop now and make the children get out and walk across, because they consider it too dangerous to carry them across, and so forth. I, at that time, had to say, "Drew, can you come back next year, bad as it is?" And he did. And we approved it, as you say, as a user fee.

Just a few weeks ago in Illinois, a group of roadbuilders met with me and gave me a hardhat—which I expect to use in my dealings with Congress this session. [Laughter] But they were saying the same thing you are about how many jobs, already, are in the works because of this program. And I view it as, again, a user fee; that when it is no longer needed for the purpose it was passed, then it should be repealed. So, I thank you.

I would have to look. I do not know how far we can go in that without offsetting the incentive feature of the tax cuts, because when you're in a recession, there is no question but that more money to the people in the private sector is a necessary incentive. So, I would have to review any further ones as against—the need, against what they might do to reducing those incentives.

Q. Thank you, Mr. President.

Mr. Hardy. May we have your question for the President, please? Over here, Mr. President.

The Economy

Q. Mr. President, given the scenario that we have a nation on the mend and that we also have very high national deficits, do you feel as we move into 1984 that we'll be able to maintain the same relatively low level of inflation and low interest rates that we have today?

The President. Yes, I do. I think the only thing that's keeping interest rates up today is fear. Those in the lending market know that they have to get back enough in interest to offset the depreciated value of the dollar, which is inflation. And they're watching us very closely to see if we are going to stay the course or if we're going to

go back to that era of quick fixes that always resulted in more inflation and then interest rates following them up. This is particularly true of long-term lending.

My goal is to eliminate inflation. I have made speeches out on the mash-potato circuit for about 25 or 30 years, and back when inflation was only running at about 2 or 2½ percent a year. I used to warn then. And how many of you will remember that the people that were deliberately putting that inflation in—it didn't come down upon us like a plague of locusts; it was planned—and they said it was part of the new economics, that it was necessary to maintain prosperity. Well, I said then and I say now that inflation is like radioactivity—it's cumulative. And sooner or later, it gets out of control. And my goal is zero inflation. And then let interest rates be honest.

Just one last factor, also, as to why I don't believe that it's necessary, as we begin to return prosperity, for inflation to go up, is when you've got a full third of the industrial capacity of the Nation idle—that much capacity—it's difficult to see how suddenly a demand on the part of consumers for more goods and products could, thus, by supply and demand, cause inflation and cause prices to go up. We've got a long way to go before we reach full capacity of industry.

Mr. Hardy. May we have your question, please, sir?

Withholding of Interest on Dividends

Q. Mr. President, my name is Jim Walsh, the vice president of Jefferson Savings and Loan. And during your State of the Union message last week, you indicated that you would resist any of the efforts of Congress to abolish the 10-percent withholding law that is going to come into effect July the 4th. How do you, or how can you choose to oppose the wishes of 90 million Americans who are small business people and small savers?

The President. Now, wait a minute. I think I can only recall speaking—are you speaking about the 10-percent tax cut that goes into effect July 1st?

Q. The 10-percent withholding of interest on dividends that will become effective July the 4th in all financial institutions.

The President. Oh. Yes, I know. Now, I

know that that was very unpopular with a lot of people. And they think that it is a way of taxing people on their savings and so forth. But what we have discovered is that one of the largest areas of avoidance of tax is in that field, that this has been the biggest loophole whereby people just simply do not pay a tax they legitimately owe. It's virtually impossible, even in a computerized age, for the Treasury Department, bureau of internal revenue, to be able to track this down. So, we passed this.

But I would like to call to your attention that there is a very definite level above which that withholding will take place, and that for most of the people, and certainly most of our retired people who are dependent on savings and the income from them, there is no withholding. We put it at quite a high level. But it was done for that reason alone, that there definitely is a large amount of tax that is owed to the government that is not now being paid.

Mr. Hardy. Mr. President, I have been signaled that we have time for one more, sir, because of your schedule. Over here, if you will?

Pro-life and Antiabortion Position

Q. Mr. President, my name is George Thornton. I'm the president of George the T-Shirt Man, Incorporated, and I'm thrilled to be here to speak to the President of the United States.

The President. Thank you.

Q. And the only thing I want to say to you is I'm glad my factory is in St. Louis, in America, and I don't live in Russia. God bless you. Thank you, Mr. President.

The President. Thank you very much. Thank you. That was one of the best questions I've ever had to not answer. [*Laughter*] But since that wasn't a question, and since we started on that side, I think it's only fair that we make it even and we finish with one over here.

Mr. Hardy. I feel like a sergeant. You're the Commander in Chief. [*Laughter*] Yes, sir? Go ahead, your question, please.

Q. Mr. President, my name is George Maty. I am executive vice president of Lindburg Cadillac Company, here in downtown St. Louis. On Sunday evening, right in

this very auditorium, the automobile dealers of Greater St. Louis completed a 5-day show, where we set new attendance records for this convention center at 180,000—people who paid an average of two and a half dollars to see our automobiles. Four hundred cars were displayed, and over 160 were sold right from the floor here.

However, on another subject, aside from merchandizing Cadillac cars, I am a worker in the pro-life, anti-abortion movement. I can assure you that many citizens voted for you in the last election only because of your pro-life position. Can we now count on you to use your tremendous powers of persuasion to unite our pro-life Members of Congress behind legislation that will stop the killing of the unborn?

Thank you, Mr. President.

The President. Yesterday afternoon I spoke to an audience of this same size, 4,000 people, in Washington, and pledged to them that I am going to continue to do everything I can.

I realize this is highly controversial. I realize that there are people who sincerely and honestly believe that it is an unwarranted intrusion into the privacy and the right of choice of women who may choose to go that way. But I have to feel that until and unless someone can prove beyond shadow of a doubt that the unborn child is not a living human being, then we have to opt in favor that it is alive, and it is killing to do what is being done today. And that we only condone in self-defense.

Q. Thank you, Mr. President.

The President. Thank you. Thank you all

very much. I'm sorry that I talked as long as I did. I'd rather do this for the whole period than try to make a speech first.

But again, I just want to say to you, I think I'm going home more rewarded than you, because being out there in that plant and meeting the workers today, seeing what's going on, hearing things like these first few words there about what happened here with the increase in sales and all, and seeing all of you, I'm going back to Washington convinced more than ever that there isn't anything the people of this country can't do when the people get together and decide it needs to be done.

Thank you again, and God bless you.

Mr. Hardy. Thank you, Mr. President.

Mr. Hyland?

Note: The President spoke at 1 p.m. at the Cervantes Convention Center. He was introduced by Robert Hyland, immediate past chairman of the association.

Prior to the luncheon, the President attended a reception at the convention center for head table guests. The reception and luncheon were part of the first small business forum sponsored by the association, a private sector organization that periodically sponsors luncheons and seminars to discuss the problems of area businesses.

The question-and-answer session was moderated by Bob Hardy, of KMOX radio in St. Louis. Following the session, Mr. Hyland presented the President with a Steuben eagle as a memento of his visit.

Following the luncheon, the President returned to Washington, D.C.

Message to the Congress Reporting a Budget Rescission and Deferrals

February 1, 1983

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report nineteen rescission proposals of fiscal year 1983 funds totaling \$1,552.0 million.

In addition, I am reporting revisions to

nine existing deferrals increasing the amount deferred by \$3,155.7 million, as well as thirty new deferrals of funds totaling \$6,795.9 million.

The rescission proposals affect Appalachian Regional Development programs, programs in the Department of Agriculture,

Education Activities, the Departments of Housing and Urban Development, Interior, and Transportation, as well as the Corporation for Public Broadcasting and an off-budget entity in the Department of Agriculture.

The deferrals affect Appalachian Regional Development programs, International Security Assistance programs, and programs in the Departments of Agriculture, Commerce, Defense, Energy Activities, and the Departments of Health and Human Services, Housing and Urban Development, Interior, Justice, State, and Transportation, as well as the Railroad Retirement Board, Small Business Administration, Motor Carri-

er Ratemaking Study Commission, Tennessee Valley Authority, the United States Information Agency, and the United States Railway Association.

The details of each rescission proposal and deferral are contained in the attached reports.

RONALD REAGAN

The White House,
February 1, 1983.

Note: The attachments detailing the proposed rescission and deferrals are printed in the Federal Register of February 4, 1983.

Nomination of J. J. Simmons III To Be Under Secretary of the Interior

February 1, 1983

The President today announced his intention to nominate J. J. Simmons III to be Under Secretary of the Interior. He would succeed Donald P. Hodel.

Mr. Simmons is currently serving as a member of the Interstate Commerce Commission. He was vice president for government relations for the Amerada Hess Corp., New York, N.Y., in 1970–1982. He was Administrator, Oil Import Administration, Department of the Interior, in 1969–1970; Deputy Administrator, Oil Import Adminis-

tration, in 1968–1969; Assistant Director, Office of Oil and Gas, Department of the Interior, in 1961–1968; and vice president, secretary-treasurer, and geologist with Simmons Royalty Co., Muskogee, Okla., in 1949–1961.

He graduated from St. Louis University (B.S., 1949) and attended the University of Detroit. He is married, has five children, and resides in Washington, D.C. He was born March 26, 1925.

Appointment of Four Members of the Board of Directors of the National Railroad Passenger Corporation

February 1, 1983

The President today announced his intention to appoint the following individuals to be members of the Board of Directors of the National Railroad Passenger Corporation:

Crete B. Harvey is owner and operator of Harvey Arabian Farms in Sterling, Ill. His farming interest began in 1961 with the purchase of a horse farm, then expanded to include grain

and livestock production. He was born on July 10, 1929, in Butte, Mont.

Samuel H. Hellenbrand is vice president of real estate operations of International Telephone and Telegraph Corp. and has held that position since 1971. He was vice president for real estate and industrial development for the Penn Central Corp. in 1968–1971. He was born November 11, 1916, in New York.

Frank W. Jenkins is an attorney in Ambler, Pa. He was a member of the Pennsylvania House of Representatives and serves on the board of the Southeastern Pennsylvania Transportation Authority. He was born May 8, 1926, in Phila-

delphia, Pa.

Ralph Thomas Kerchum is a transportation consultant in Oakland, Calif. He has also served with the National Park Service since 1955. He was born November 12, 1911, in Oakland.

Message to the Congress Transmitting the Annual Economic Report of the President *February 2, 1983*

To the Congress of the United States:

Two years ago, I came to Washington with a deep personal commitment to change America's economic future. For more than a decade, the economy had suffered from low productivity growth and a rising rate of inflation. Government spending absorbed an increasing share of national income. A shortsighted view of economic priorities was destroying our prospects for long-term prosperity.

The economic program that I proposed shortly after I took office emphasized economic growth and a return to price stability. My tax proposals were designed to encourage private initiative and to stimulate saving and productive investment. I have supported and encouraged the Federal Reserve Board in its pursuit of price stability through sound monetary policy. My Administration has slowed the growth of Federal regulation, strengthening the forces of competition in a number of economic sectors. And I have worked with the Congress to enact legislation that has reversed or limited the growth of government programs that have become too large or outlasted their usefulness.

Although the full effect of these changes in government policy will take time to develop, some of the benefits have already become apparent. The rate of consumer price inflation between December 1981 and December 1982 was only 3.9 percent, about one-third of the rate in the year before I took office. Interest rates are now lower than when I took office, and have fallen rapidly during the last 6 months.

The Administration will propose many additional measures over the next several

years to strengthen economic incentives, reduce burdensome regulations, increase capital formation, and raise our standard of living. It is easy to lose sight of these long-term goals in a year, like 1982, when the economy was in an extended recession. I am deeply troubled by the current level of unemployment in the United States and by the suffering and anxiety that it entails for millions of Americans. The unemployment that many of our citizens are experiencing is a consequence of the disinflation that must necessarily follow the accelerating inflation of the last decade. Allowing the upward trend of inflation to continue would have risked even greater increases in unemployment in the future. In spite of the present high unemployment rate and the accompanying hardships, it is essential that we maintain the gains against inflation that we have recently achieved at substantial cost. Continuing success in restraining inflation will provide a stronger foundation for economic recovery in 1983 and beyond.

Reducing Unemployment

The Federal Government can play an important role in reducing unemployment. I believe, however, that the government should focus its attention on those groups that will continue to face high unemployment rates even after the recovery has begun. By helping them to develop their job-related skills, we will foster productive careers in the private sector rather than dead-end jobs. This emphasis on training and private sector employment is the focus of the Jobs Training Partnership Act that I supported and signed into law in 1982. I am proposing additional steps this year to

strengthen Federal training and retraining programs and to help the structurally unemployed find lasting jobs.

It is understandable that many well-meaning members of the Congress have responded to the current high unemployment rate by proposing various public works and employment programs. However, I am convinced that such programs would only shift unemployment from one industry to another at the cost of increasing the Federal budget deficit.

Although programs to help the structurally unemployed are important, only a balanced and lasting recovery can achieve a substantial reduction in unemployment. There are now over four million more unemployed people than there were at the peak of the last business cycle. Nine million new workers are expected to join the labor force by 1988. Only a healthy and growing economy can provide the more than 13 million jobs needed to achieve a progressively lower level of unemployment over the next 5 years.

The Prospects for Economic Recovery

There are now signs that an economic recovery will begin soon. By December 1982 the index of leading economic indicators had risen in 7 of the last 8 months. Housing starts have risen substantially over the last year, and by December 1982 were 39 percent higher than 12 months earlier. Inventory levels have fallen sharply, so that increased sales should translate quickly into increased production and employment. Both long-term and short-term interest rates have fallen substantially. The Administration's economic forecast predicts that the gross national product will begin to rise in the first quarter of 1983 and will then rise more quickly as the year continues. Most private forecasters also predict a recovery in 1983.

Monetary policy will play a critical role in achieving a sound and sustainable economic recovery. If the monetary aggregates grow too slowly, the economy will lack the level of financial resources needed for continued economic growth. But if these aggregates are allowed to expand too rapidly, an increase in inflation and a short-lived recovery will result. I recognize the difficulties

that the Federal Reserve has faced and will continue to face in guiding the growth of the money supply at a time when major regulatory changes have made it difficult to rely on old guidelines. I expect that in 1983 the Federal Reserve will expand the money supply at a moderate rate consistent with both a sustained recovery and continued progress against inflation.

Investment and Economic Growth

An economic recovery beginning in 1983 should bring not only a reduction in unemployment but also an increase in business investment over the next several years. A higher level of investment is an important ingredient in raising productivity and economic growth. The Accelerated Cost Recovery System that I proposed and that the Congress enacted in 1981 was designed to encourage a substantial expansion of business investment above the relatively low levels of the 1970s. Since that time the adverse effects of the recession have outweighed the positive effects of the new tax rules. As the economy turns from recession to recovery, however, incentives to invest will become more powerful. But business investment may not grow rapidly unless measures proposed by the Administration to reduce potentially large Federal budget deficits are enacted.

Federal borrowing competes with private investment for available savings. If the government continues to borrow large amounts to finance its deficit, the real interest rate will remain high and discourage private investment. This process of "crowding out" will tend to depress private investment in the years ahead unless the budget deficit is progressively reduced.

Fiscal Year 1984 Budget Proposals

It is important to distinguish the cyclical part of the budget deficit from the structural part, which would remain even at the peak of the business cycle. Approximately one-half of the 1983 budget deficit is due to the depressed state of the economy. With earnings and profits reduced, tax receipts have significantly decreased, and expenditures have increased. As the economy recovers, the cyclical part of the deficit will

shrink. But cyclical recovery alone will not bring the deficit down to an acceptable size.

In the budget I am now submitting to the Congress, I am proposing the dramatic steps needed to reduce Federal budget deficits in future years. My budget proposals are designed to reduce the deficit by dealing directly with the rapid growth of the domestic spending programs (apart from interest payments) of the Federal Government. In 1970 these programs accounted for 10 percent of the gross national product and 48 percent of Federal spending. By 1980 these programs had grown to 14 percent of gross national product and 63 percent of the budget. I remain committed to the idea that we can reduce budget deficits without increasing the burden on the poor, without weakening our national defense, and without destroying economic incentives by counterproductive tax increases.

Rapid congressional enactment of the budget would provide clear and credible evidence that the Federal Government intends not to place heavy burdens on the capital markets in future years. Such reassurance should hasten the decline in interest rates, especially long-term interest rates on bonds and residential mortgages, and improve prospects for the recovery of the housing, automobile, and capital investment sectors of the economy.

I recognize the special importance of protecting the social security and medicare programs for aged retirees and their dependents. These programs now face very serious financial problems. The bipartisan National Commission on Social Security Reform has recently recommended a series of measures, which I have endorsed, to eliminate the cumulative deficiency of \$150 billion to \$200 billion projected for the social security system in the years 1983 through 1989. It is critically important at this time to make changes in the social security programs that will protect their solvency and financial viability for the years to come.

The Remaining Burden of Federal Economic Regulation

For many decades, the Federal Government has regulated the price and entry

conditions affecting several sectors of the American economy. Much of this regulation is no longer appropriate to the conditions of the contemporary economy. Over time, most of this regulation—by restraining competition and the development of new services and technologies—has not served the interests of either consumers or producers. Since deregulation of some markets began several years ago, the experience has been almost uniformly encouraging. My Administration has supported these step-by-step efforts to reduce these regulations in markets that would otherwise be competitive. It is now time to consider broad measures to eliminate many of these economic regulations especially as they affect the natural gas, transportation, communications, and financial markets.

Interest Rates and the U.S. Trade Deficit

The very high levels of real interest rates over the last several years are a principal cause of the sharp rise in the exchange value of the dollar relative to foreign currencies. This rise has reduced the ability of American exporters to compete in foreign markets and increased the competitiveness of imports in the domestic market. Largely as a result, the U.S. merchandise trade balance showed a substantial deficit in 1982.

Our current trade deficit is a reminder of the importance of international trade to the American economy. The export share of U.S. gross national product has more than doubled over the last three decades. American workers, businesses, and farmers suffer when foreign governments prevent American products from entering their markets, thus reducing U.S. export levels. While the United States may be forced to respond to the trade distorting practices of foreign governments through the use of strategic measures, such practices do not warrant indiscriminate protectionist actions, such as domestic content rules for automobiles sold in the United States. Widespread protectionist policies would hurt American consumers by raising prices of the products they buy, and by removing some of the pressures for cost control and quality improvement that result from international competition. Moreover, protectionism at home could hurt the work-

ers, farmers, and firms in the United States that produce goods and services for export, since it would almost inevitably lead to increased protectionism by governments abroad. I am committed to a policy of preventing the enactment of protectionist measures in the United States, and I will continue working to persuade the other nations of the world to eliminate trade distorting practices that threaten the viability of the international trading system upon which world prosperity depends.

Trade in goods and services is only one aspect of our economic relations with the rest of the world. The international flow of capital into the United States and from the United States to other countries is also of great importance. The United States should play a primary role in preserving the vitality of the international capital market. Severe strains on that market developed in 1982 as several nations found it difficult to service their overseas debt obligations. In 1982, the Federal Government worked closely with debtor and creditor nations and the major international lending agencies to prevent a disruption in the functioning of world capital markets. Now, with the cooperation of a wide variety of creditors, countries with especially severe debt-servicing difficulties are establishing economic and financial programs that will permit them to meet their international obligations.

The Years Ahead

We are now at a critical juncture for the American economy. The recession has led to strong pressures from some members of the Congress and from others to abandon our commitment to a policy that is aimed at long-term economic growth, capital accumulation, and price stability. There are many who urge new government spending programs and forcing the Federal Reserve to raise monetary growth rates to levels that would rekindle inflation.

I am convinced that such policies would prove detrimental to the long-run interests of the American people. Our economy, despite the recession, is extraordinarily resilient and is now on the road to a healthy recovery. It is essential in the year ahead that the Administration and the Congress work together, take a long-term perspective, and pursue economic policies that lead to sustained economic growth and to greater prosperity for all Americans.

RONALD REAGAN

February 2, 1983.

Note: The President's message is printed in the report entitled "Economic Report of the President, Transmitted to the Congress, February 1983—Together With the Annual Report of the Council of Economic Advisers" (Government Printing Office, 287 pages).

Remarks at a White House Meeting With Jewish Leaders February 2, 1983

Good morning, and please sit down. And thank you very much. I've just had the opportunity to hear from your leaders regarding the future of the Middle East and world Jewry, and I thank you all for coming to the White House today. We're honored to have you. And I want to take a few moments now, if I could, to discuss some thoughts of my own about the critical issues that we face together.

First, let me say again how honored I am that the leaders of American and world

Jewry, many of you whom I've known over the years, are meeting together here.

This week marks the 50th anniversary of Adolf Hitler's rise to power. It's incumbent upon us all, Jews and gentiles alike, to remember the tragedy of Nazi Germany, to recall how a fascist regime conceived in hatred brought a reign of terror and atrocity on the Jewish people and on the world, and to pledge that never again will the decent people of the world permit such a thing to occur. Never again can people of

conscience overlook the rise of anti-Semitism in silence.

Americans can be proud, I think, that our government is moving forward to build a memorial in our Nation's Capital to commemorate the Holocaust. Those who perished as a result of Nazi terror, millions of individual men and women and children whose lives were taken so senselessly, must never be forgotten. I'm aware that, in April, American Holocaust survivors and their families will gather in Washington to thank our country for what it has done for them. And this gathering should touch the heart of every American.

You know perhaps better than I that the defeat of the Third Reich did not present a final triumph over bigotry and prejudice. Even today in the free world we hear of swastikas painted on synagogues, of holy books and scrolls desecrated by hoodlums, and of terrorist attacks. We see Jewish schools in Europe forced to employ armed guards to protect children, and many congregations, even in this country, hiring guards to protect worshiping during the High Holy Days. These things bear witness that the fight, even in the free world, is not yet won.

In totalitarian societies, and particularly the Soviet Union, Jews face even greater adversity. Despite the rights enumerated in the Soviet Constitution and in the Helsinki agreements, Soviet Jews are denied basic rights to study and practice their religion, to secure higher education and good jobs, or to emigrate freely. Heroic men and women like Anatoly Shcharanskiy, who openly proclaim their Jewish pride and desire to emigrate, are subjected to brutal harassment and imprisonment. But, just as Soviet Jews will not forget their own heritage nor abandon hope for freedom, we will not forget them. We will not, as the Western democracies did 4 days [decades] ago, turn a deaf ear to distant pleas for help.

There are those who suggest that a new era of improved East-West relations is possible because the new Soviet leadership shares Western tastes. Well, yes, we're told that Mr. Andropov drinks Scotch and fine French wines, and listens to jazz and rock and roll, and reads Western literature. Frankly, it doesn't appear to affect Soviet

policy in Poland or Afghanistan. But make no mistake, we seek better relations with the Soviet Union. We pray for the day when all Soviet citizens will enjoy basic human liberties, improvement in that area. And the Kremlin knows this would do much better for East-West relations.

My administration has persistently maintained pressure on Soviet authorities to live up to their agreements. Specifically in the CSCE Review Conference, our representative, Max Kampelman, has continued to raise not only the emigration issue but also to challenge those Soviet internal practices which deny Soviet Jews and other citizens as well their basic human rights and violate the letter and spirit of the Helsinki Accords. Secretary Shultz has also discussed these issues with Foreign Minister Gromyko.

Those of us who believe in better relations with the Soviet Union, yet, at the same time, value freedom and human decency, we've made it plain now we want deeds, not rhetoric and repression from the new Soviet leadership. We've had enough of words. There's no better way for them to begin than by releasing the prisoners of conscience in Siberia and restoring Jewish emigration to the levels of the late 1970's. And I might add, they could give us an accounting of one of mankind's true heroes, Raoul Wallenberg.

Let me now turn to a third item that I wanted to discuss with you, the Middle East. America's commitment to Israel remains strong and enduring. And, again, I ask you to focus on deeds.

Since the foundation of the State of Israel, the United States has stood by her and helped her to pursue security, peace, and economic growth. Our friendship is based on historic moral and strategic ties, as well as our shared dedication to democracy. We've had disagreements, as would be expected between friends, even between good friends. Our friendship continues, however, and there should be no doubt that America's commitment to Israel's security remains as it always has been.

Over the last year, our diplomats and Marines have been engaged in a campaign for peace and security in the Middle East. As I said last September, we believe that the

events of the past year have created new opportunities for peace that must not be lost. The current political fluidity and general desire to break the cycle of terror and war present a special chance to bring peace to this long-troubled region. It's vital to the United States, to Israel, and to all those who yearn for an end to the killing that we not let these current opportunities pass by.

The proposals I made to build an enduring peace are strongly rooted in the history of the region and are designed to promote negotiations that will achieve a solution acceptable to all the parties. They're based on an historic U.S. commitment to Israelis' security. They reaffirm the Camp David accords, which deem that peace must bring security to Israel and provide for the legitimate rights of the Palestinians.

Our proposals are founded on the Camp David process and United Nations Security Council Resolutions 242 and 338, which produced the region's first meaningful peace treaty, ending the state of war between Egypt and Israel. Israel and Arab leaders must take the necessary risks for peace to take root and bloom if we're to succeed. It is riskier to do nothing, to let this time pass with no tangible sign of progress.

We share with Israel three goals in Lebanon: a speedy withdrawal of all foreign forces, a strong central government for Lebanon with jurisdiction over all its territory, and full and effective guarantees that southern Lebanon will no longer be used as a staging ground for terrorist attacks against Israel. To achieve these goals will require negotiating flexibility by all of the parties.

With respect to the broader peace process, again, great courage and some risk will be required on both sides. Israel must be prepared to engage in serious negotiations over the future of the West Bank and Gaza.

As I've stated previously, the most significant action demonstrating Israel's good faith would be a settlements freeze. On the other hand, King Hussein should step forward, ready to negotiate peace directly with Israel.

Each of these steps is independent but related. And for all three, the time to act is now. The fight against anti-Semitism, the struggle for Soviet Jewry, and the search for peace and security in the Middle East require courage, sacrifice, and tenacity from all parties. There are ample excuses for those who do not share our goals or dedication; but if history is the guide, those who see opportunities for peace and pursue them, who see injustice and condemn it, who fight for liberty will in the end prevail.

We're making the future in which our children will live. Only the courage to act will ensure that it is a more peaceful, secure, and free world.

The Talmud tells us, "The day is short, the work is great. You don't have to finish the work. Neither are you free to desist from it." And also from the Talmud: "For God could find no vessel which was full of blessing as *shalom*, peace."

America knows God's blessings. Our cup truly runneth over. We seek only to share the blessings of liberty, peace, and prosperity.

Now, my schedule is such I wanted to hear further from you with regard to your views—had, as I say, a brief opportunity before our meeting here with your leaders. But I am going to have to depart.

Note: The President spoke at 10:07 a.m. in the East Room. Prior to his remarks, he met privately in the Oval Office with leaders of several of the organizations represented in the larger East Room meeting.

Message to the Congress Transmitting a Report on United States Participation in the United Nations

February 2, 1983

To the Congress of the United States:

I am pleased to transmit herewith a report of the activities of the United States Government in the United Nations and its affiliated agencies, as required by the United Nations Participation Act (Public Law 264, 79th Congress). The report covers calendar year 1981, the first year of my Administration.

During this first year we devoted much time and effort to making our participation in the organizations of the United Nations system more effective and to rendering the system more efficient. We have urged the United Nations and its affiliated agencies to slow budget growth, define priorities, upgrade personnel, and purge debate of irrelevant and divisive rhetoric. We have pursued these changes in order to strengthen the United Nations and help it realize its enormous potential for maintaining international peace and security and for contributing to the economic and social betterment of the world's peoples.

The year 1981 saw the United Nations constructively engaged in a number of important areas. United Nations peacekeeping forces have helped prevent serious fighting in Cyprus and the Golan Heights; the United Nations General Assembly called for an end to Soviet and Vietnamese aggression in Afghanistan and Kampuchea; and several United Nations organizations and agencies continued their valuable humanitarian and technical work around the world. The year also saw the election of a new United Na-

tions Secretary General, Javier Perez de Cuellar, an experienced and able international diplomat.

At the same time, the United Nations' 1981 performance left much room for improvement. Extreme United Nations resolutions on the Middle East and Southern Africa often increased tensions rather than promoted solutions. The General Assembly called for the Government of El Salvador to negotiate with the guerrillas opposing it, discounting in advance the value of elections which proved a resounding success. Resolutions on arms control were often propagandistic and worked against the goal of genuine, balanced, and verifiable arms reductions. The General Assembly approved an unjustifiably large biennial budget in the face of United States opposition.

My Administration will continue to work strenuously and constructively to defend United States interests in the United Nations setting and to make the Organization itself increasingly more responsive to global problems and needs.

RONALD REAGAN

The White House,
February 2, 1983.

Note: The report is entitled "United States Participation in the UN—Report by the President to the Congress for the Year 1981" (Government Printing Office, 393 pages).

Nomination of Vincent Puritano To Be an Assistant Secretary of Defense

February 2, 1983

The President today announced his intention to nominate Vincent Puritano to be an Assistant Secretary of Defense (Comptrol-

ler). He would succeed Jack R. Borsting.

Mr. Puritano has been serving as executive assistant to the Deputy Secretary of

Defense since 1981. He was special assistant to the Deputy Director of the CIA in 1978–1980 and served on the staff of the Office of Management and Budget in 1969–1978. He was with the U.S. Department of State in 1960–1969.

He graduated from Siena College (B.S.,

1959), New York University Graduate School (M.B.A., 1960) and the John F. Kennedy Graduate School at Harvard University (M.P.A., 1969). He is married, has two sons, and resides in Annandale, Va. He was born January 10, 1930.

Message on the Observance of National Afro-American (Black) History Month, February 1983

February 2, 1983

Every American can be grateful to the Association for the Study of Afro-American Life and History for its dedicated efforts to promote both popular and scholarly interest in American black history. From 1915 forward this organization has served to familiarize our citizens with the outstanding contributions of black Americans. Through its work, we as a nation can more fully perceive the meaning of the events that have shaped our destiny.

The observance of Afro-American (Black) History Month affords all of us a fine opportunity to recognize further and to appreciate the role of black Americans in the development of our nation. This annual ob-

servance promotes heightened awareness of the significant participation of black citizens in every level and aspect of our national life. It is a time when we transcend past struggles for advancement and gratefully acknowledge our rich and valuable diversity. Our heritage lends strength to the fiber of our country.

Understanding black history is fundamental to a thorough comprehension of the full scope and sweep of the American historical experience. By more fully appreciating America's commitment to freedom and justice, we can avoid the mistakes of the past and fulfill the hopes of the future.

RONALD REAGAN

Message on the Observance of the Chinese New Year

February 2, 1983

In this, the Year of the Boar, it is a pleasure to extend my warmest greetings to all those celebrating this Lunar New Year, 4681.

On February 13 of the Western calendar, Chinese, Korean, and Vietnamese Americans welcome the dawn of a new year and rejoice in the promise of a period filled with happiness and good fortune. It is a time to reaffirm hopes and goals and a time to cast away the troubles of the old year—a time to take pride in what we have accomplished and to look ahead with enthusiasm

to all that we will be able to achieve in the months ahead.

According to ancient lore, those born in the Year of the Boar are lucky in all ways and their lives are marked by success. As one born in this auspicious year, I am delighted to join with you in celebrating this very special year, and it is my heartfelt wish that any good fortune that I derive from it will auger well for our country.

May 4681 bring each of you health, prosperity, and well-being.

RONALD REAGAN

Remarks at the Annual National Prayer Breakfast February 3, 1983

Thank you all very much, all our friends and distinguished guests here at the headtable and all of you very distinguished people.

General Vessey,¹ I'm terribly tempted to call for a vote right now on the defense budget. [Laughter]

Nancy and I are delighted to be with you here this morning.

You know, on the way over, I remembered something that happened a long time ago when teachers could talk about things like religion in the classroom. And a very lovely teacher was talking to her class of young boys, and she asked, "How many of you would like to go to heaven?" And all the hands instantly shot into the air at once, except one, and she was astounded. And she said, "Charlie, you mean you don't want to go to heaven?" He said, "Sure, I want to go to heaven, but not with that bunch." [Laughter]

Maybe there's a little bit of Charlie in each of us. [Laughter] But somehow I don't think that wanting to go to heaven, but only on our terms, and certainly not with that other bunch, is quite what God had in mind. The prayer that I sometimes think we don't often use enough—and one that I learned a few years ago and only after I had gotten into the business that I'm in—is one of asking forgiveness for the resentment and the bitterness that we sometimes feel towards someone, whether it's in business dealings or in government or whatever we're doing, and forgetting that we are brothers and sisters and that each of them is loved equally by God as much as we feel that He loves us.

I'm so thankful that there will always be one day in the year when people all over our land can sit down as neighbors and friends and remind ourselves of what our real task is. This task was spelled out in the Old and the New Testament. Jesus was asked, "Master, which is the great com-

mandment in the law?" And He replied, "Thou shalt love the Lord thy God with all thy heart, and with all thy soul, and with all thy mind. This is the first and great commandment. The second is like unto it, thou shalt love thy neighbour as thyself. On these two commandments hang all the law and the prophets."

Can we resolve to reach, learn, and try to heed the greatest message ever written—God's word and the Holy Bible. Inside its pages lie all the answers to all the problems that man has ever known.

Now, I am assuming a new position; but I should warn our friends in the loyal opposition, this new job won't require me to leave the White House. With the greatest enthusiasm, I have agreed to serve as honorary chairman for the Year of the Bible.

When we think how many people in the world are imprisoned or tortured, harassed for even possessing a Bible or trying to read one—something that maybe we should realize how—and take advantage of what we can do so easily. In its lessons and the great wealth of its words, we find comfort, strength, wisdom, and hope. And when we find ourselves feeling a little like Charlie, we might remember something that Abraham Lincoln said over a hundred years ago: "We have forgotten the gracious hand that preserved us in peace, and multiplied and enriched and strengthened us; and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior wisdom and virtue of our own . . . we have become too proud to pray to the God that made us!" Well, isn't it time for us to say, "We're not too proud to pray"?

We face great challenges in this country, but we've faced great challenges before and conquered them. What carried us through was a willingness to seek power and protection from One much greater than ourselves, to turn back to Him and to trust in His mercy. Without His help, America will not go forward.

I have a very special old Bible. And

¹ Gen. John W. Vessey, Jr., Chairman of the Joint Chiefs of Staff.

alongside a verse in the Second Book of Chronicles there are some words, handwritten, very faded by now. And, believe me, the person who wrote those words was an authority. Her name was Nelle Wilson Reagan. She was my mother. And she wrote about that verse, "A most wonderful verse for the healing of the nations."

Now, the verse that she'd marked reads: "If my people, which are called by my name, shall humble themselves, and pray, and seek my face, and turn from their wicked ways; then will I hear from heaven . . . and will heal their land."

I know that at times all of us—I do—feel that perhaps in our prayers we ask for too much. And then there are those other times when we feel that something isn't important enough to bother God with it. Maybe we should let Him decide those things.

The war correspondent Marguerite Higgins, who received the Pulitzer Prize for International Reporting because of her coverage of the Korean war, among all her writings had an account one day of the Fifth Company of marines who were part of an 18,000-man force that was in combat with a hundred thousand of the enemy. And she described an incident that took

place early, just after dawn on a very cold morning. It was 42 degrees below zero. And the weary marines, half frozen stood by their dirty, mud-covered trucks, eating their breakfast from tin cans.

She saw one huge marine was eating cold beans with a trench knife. His clothes were frozen stiff as a board; his face was covered with a heavy beard and crusted with mud. And one of the little group of war correspondents who were on hand went up to him and said, "If I were God and could grant you anything you wished, what would you most like?" And the marine stood there for a moment, looking down at that cold tin of beans, and then he raised his head and said, "Give me tomorrow."

Now I would like to sign a proclamation which will make 1983 the Year of the Bible. And I want to thank Senator Bill Armstrong and Representative Carlos Moorhead and all those inside and outside of Congress who assisted them and made this all possible. Thank you, and God bless you. And I'm going down and sign the proclamation.

Note: The President spoke at 9:03 a.m. in the International Ballroom at the Washington Hilton Hotel.

Proclamation 5018—Year of the Bible, 1983

February 3, 1983

*By the President of the United States
of America*

A Proclamation

Of the many influences that have shaped the United States of America into a distinctive Nation and people, none may be said to be more fundamental and enduring than the Bible.

Deep religious beliefs stemming from the Old and New Testaments of the Bible inspired many of the early settlers of our country, providing them with the strength, character, convictions, and faith necessary to withstand great hardship and danger in this new and rugged land. These shared beliefs helped forge a sense of common pur-

pose among the widely dispersed colonies—a sense of community which laid the foundation for the spirit of nationhood that was to develop in later decades.

The Bible and its teachings helped form the basis for the Founding Fathers' abiding belief in the inalienable rights of the individual, rights which they found implicit in the Bible's teachings of the inherent worth and dignity of each individual. This same sense of man patterned the convictions of those who framed the English system of law inherited by our own Nation, as well as the ideals set forth in the Declaration of Independence and the Constitution.

For centuries the Bible's emphasis on compassion and love for our neighbor has

inspired institutional and governmental expressions of benevolent outreach such as private charity, the establishment of schools and hospitals, and the abolition of slavery.

Many of our greatest national leaders—among them Presidents Washington, Jackson, Lincoln, and Wilson—have recognized the influence of the Bible on our country's development. The plainspoken Andrew Jackson referred to the Bible as no less than "the rock on which our Republic rests." Today our beloved America and, indeed, the world, is facing a decade of enormous challenge. As a people we may well be tested as we have seldom, if ever, been tested before. We will need resources of spirit even more than resources of technology, education, and armaments. There could be no more fitting moment than now to reflect with gratitude, humility, and urgency upon the wisdom revealed to us in the writing that Abraham Lincoln called "the best gift God has ever given to man . . . But for it we could not know right from wrong."

The Congress of the United States, in rec-

ognition of the unique contribution of the Bible in shaping the history and character of this Nation, and so many of its citizens, has by Senate Joint Resolution 165 authorized and requested the President to designate the year 1983 as the "Year of the Bible."

Now, Therefore, I, Ronald Reagan, President of the United States of America, in recognition of the contributions and influence of the Bible on our Republic and our people, do hereby proclaim 1983 the Year of the Bible in the United States. I encourage all citizens, each in his or her own way, to reexamine and rediscover its priceless and timeless message.

In Witness Whereof, I have hereunto set my hand this third day of February, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:10 a.m., February 3, 1983]

Appointment of Three Members of the Board of Directors of the Pennsylvania Avenue Development Corporation, and Designation of Chairman and Vice Chairman February 3, 1983

The President today announced his intention to appoint the following individuals to be members of the Board of Directors of the Pennsylvania Avenue Development Corporation. The President also intends to designate Henry A. Berliner, Jr., as Chairman and Arthur A. Fletcher as Vice Chairman.

Henry A. Berliner, Jr., to serve for a term expiring October 26, 1988. He will succeed Thomas F. Murphy. He has been a senior partner in the law firm of Berliner & Maloney in Washington, D.C., since 1969. He is married, has three children, and resides in Washington. He was born

February 9, 1934.

Arthur A. Fletcher, to serve for a term expiring October 26, 1988. He will succeed Leonard A. Haft. He is president of Arthur A. Fletcher & Associates in Washington, D.C. He is married, has five children, and resides in Washington, D.C. He was born December 22, 1924.

Carl L. Shipley, to serve for the remainder of the term expiring October 26, 1984. He will succeed Nathaniel Alexander Ownings. He is a senior member of the law firm of Shipley, Smoak & Henry in Washington, D.C. He is married, has two children, and resides in Washington. He was born December 16, 1919.

Appointment of Bishop L. Robinson as a Member of the National Institute of Justice Advisory Board *February 3, 1983*

The President today announced his intention to appoint Bishop L. Robinson to be a member of the National Institute of Justice Advisory Board, Department of Justice, for a term expiring January 11, 1986. This is a reappointment.

Mr. Robinson is deputy commissioner of the Operations Bureau of the Baltimore Police Department. He is married, has one child, and resides in Baltimore, Md. He was born January 16, 1927.

Remarks of the President and Chancellor Bruno Kreisky of Austria Following Their Meetings *February 3, 1983*

The President. You know, of course, that our guest here today has been Chancellor Kreisky of the Republic of Austria. And in the course of our meeting in the Oval Office and our working lunch today, Chancellor Kreisky and I have had the opportunity to discuss two areas of the world that are vital to the maintenance of peace and human dignity—the Middle East and Poland.

The Chancellor is a man of extensive experience in international affairs. And I'm pleased that I was able, like the seven American Presidents before me, to have the opportunity to exchange views with him. Our bilateral relationship with Austria remains close and cooperative.

And I was also pleased today to be able to tell him and to have his immediate approval of my intention to nominate as our next Ambassador to Austria, Helene von Damm, who has been with our administration from the very beginning.

It's been a pleasure to welcome Chancellor Kreisky to Washington again and to reaffirm our friendship with the Austrian people.

The Chancellor. Mr. President, I am very happy that today I had this opportunity for an exchange of views with you.

The relations between the United States and Austria are completely without frictions. They are characterized by long-lasting friendship between the two peoples and by close cooperation between the two governments.

Austria today, at the time when it is prosperous and in a good position, is still grateful for all which has been done during more than 35 years by the United States. And all this has established an unshakable friendship which connects the great democracy of the United States with the small Republic of Austria.

Mr. President, I am extremely grateful to tell you that the Austrian Republic and the Government and the Federal President would be happy to see Mrs. von Damm in Austria as the next Ambassador of the United States.

Thank you very much.

The President. Thank you.

Note: The President spoke at 1:08 p.m. to reporters assembled at the South Portico of the White House.

Earlier in the day, the President and the Chancellor met in the Oval Office. The meeting was then followed by a working luncheon in the Residence.

Nomination of Helene von Damm To Be United States Ambassador to Austria, and Appointment of John S. Herrington as Assistant to the President for Presidential Personnel

February 3, 1983

The President today announced his intention to nominate Helene von Damm as Ambassador to Austria. She will succeed Theodore E. Cummings, deceased.

The President will nominate Mrs. von Damm as Ambassador in late spring. Upon her confirmation, the President intends to appoint John S. Herrington as Assistant to the President for Presidential Personnel.

Helene von Damm has been serving as Assistant to the President for Presidential Personnel since August 1982. From October 1981 to August 1982, she served as Director of Presidential Personnel with the rank of Deputy Assistant to the President.

Mrs. von Damm has been associated with President Reagan since his first campaign for Governor in California in 1966. She has served him as Personal Secretary during his two terms as Governor, executive assistant during his business years, and as Northeast regional finance director in the 1980 Presidential campaign. After the election, during the transition period, she served as Associate Director of Personnel. For the first 9 months of the administration, Mrs. von Damm was Personal Secretary and Special Assistant to the President.

She presently serves as member at large of the United Service Organization World Board of Governors, a member of the President's Commission on Executive Exchange, the White House Coordinating Council on Women, and the board of directors of the S.O.S. Kinderdorf International's U.S. based affiliate.

Helene von Damm was born in Ulmerfeld, Austria, on May 4, 1938, and received her formal education in Austria before immigrating to the United States in 1959. She has received public affairs leadership training by the Coro Foundation in Los Angeles. In 1976 she edited "Sincerely, Ronald Reagan." She is married to Byron Leeds, a

businessman, and resides in Washington, D.C., and New Jersey.

Since September 25, 1981, Mr. Herrington has been serving as Assistant Secretary of the Navy for Manpower and Reserve Affairs. He has recently tendered his resignation from that post to become a special consultant to the Chief of Staff.

Mr. Herrington was born in Los Angeles, Calif., on May 31, 1939, and graduated from University High School, Los Angeles, in 1957. He is a graduate of Stanford University, where he received his A.B. degree in economics in 1961. At Stanford, he played varsity rugby, soccer, and boxed. Mr. Herrington received his LL.B. and J.D. degrees at the University of California, Hastings College of Law, San Francisco, in 1964. Mr. Herrington has been a practicing attorney in California since 1965, where he had a varied law practice, ranging from criminal prosecution with the Ventura County District Attorney's office to corporate and real estate law. He also expanded his interests into real estate development, ranching, restoration of historic buildings, and other investment undertakings. Mr. Herrington moved to Washington, D.C., in January 1981, to become Deputy Assistant to the President and Director of Presidential Personnel.

Mr. Herrington served as a first lieutenant in the United States Marine Corps Reserves. He is a member of the Reserve Forces Policy Board, the Department of the Navy Review and Oversight Council, the President's Military Manpower Task Force Working Group, and the Defense Department Per Diem Committee. He is also a member of the United States Naval Institute, the Navy League, Marine Corps Reserve Officers' Association, and the Naval Enlisted Reserve Association.

Mr. Herrington is married to the former Lois Haight of San Francisco. They have two daughters.

Proclamation 5019—American Heart Month, 1983 February 3, 1983

*By the President of the United States
of America*

A Proclamation

Diseases of the heart and blood vessels are our Nation's most pressing health problem. Over sixty million Americans are afflicted by one or another of this family of diseases, which cause nearly a million deaths annually, disable many millions of others, and cost the Nation more than \$60 billion each year. The leading killers among the cardiovascular diseases are coronary heart disease and stroke.

In 1948 a newly created Federal agency—now the National Heart, Lung, and Blood Institute—and a private health organization, the American Heart Association, joined hands to combat the cardiovascular diseases. Their combined efforts were directed toward the conquest of these diseases through prevention, diagnosis, and treatment; through the training of new research workers and clinicians in the cardiovascular field; and through support for community service programs.

Until the mid-1960s mortality from coronary heart disease had continued to increase despite our best efforts; however, in 1965 mortality from heart disease began a steady decline that continues to the present. From 1972 to 1980, mortality rates from coronary heart disease declined by 22.5 percent, and mortality rates from stroke declined by 36.5 percent.

Advances in diagnosis and treatment have been major factors in these reductions. But perhaps equally important, large numbers of Americans have voluntarily modified their habits and lifestyles: many have quit or cut down on cigarette smoking, are watching their weight and blood cholesterol levels, exercising more, and seeking the

help of a physician in the control of treatable conditions which increase the risk of premature arteriosclerosis and its consequences.

Though we have made considerable progress in reducing the toll in illness, disability, and death caused by cardiovascular diseases, these diseases continue to be a serious threat to the health and well-being of our citizens. To encourage continued application of what is known about the prevention and relief of cardiovascular diseases and to stimulate the development of new knowledge and techniques that may bring about their ultimate conquest, the Congress has requested that the President annually proclaim February as American Heart Month.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of February 1983 as American Heart Month. I invite the Governors of the States, the Commonwealth of Puerto Rico, the officials of other areas subject to the jurisdiction of the United States, and the American people, to join me in reaffirming our commitment to the resolution of the nationwide problem of cardiovascular disease.

In Witness Whereof, I have hereunto set my hand this 3rd day of Feb., in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:50 p.m., February 4, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on February 4.

Remarks and a Question-and-Answer Session With Reporters on Domestic and Foreign Policy Issues February 4, 1983

Unemployment

The President. Good morning.

Today, millions of Americans can take heart. Unemployment has finally started down. This dip in unemployment, coming just after the word of higher retail sales, higher auto sales, is one more sign that America is on the mend. Confidence is returning and with reason. And while we may see some ups and downs on the way to recovery, we're on the move now, and that's our best hope for more productive, lasting jobs.

According to our own, very cautious forecasts, economic recovery will create more than 4½ million new jobs by the end of 1984. If the Congress cooperates, if it holds the line on spending, we can enjoy strong, sustained growth without triggering a return to the double-digit inflation and soaring interest rates that caused unemployment to rise and nearly destroyed our economy.

Chris [Chris Wallace, NBC News]?

January Unemployment Figures

Q. Mr. President, Labor Department officials point out that there was a big seasonal adjustment in January and also, of course, the military was included in the employment figures for the first time in January. Don't both of those factors exaggerate the improvement in the January unemployment?

The President. No, because, Chris, first of all, the figures that they give are the seasonally adjusted. And most of the time—I've always questioned and said, you know, "Explain that to me," because most of the time the unadjusted figures show more people employed. But they've used this. But with regard to the military, they gave two sets of figures. They have just started to include the military as employed—those serving in the United States only. This is only simple justice, because every time someone left the service and didn't have a job, they automatically counted them as unemployed. But

they are using two sets of figures. If you include the military, that set of figures is unemployment was only 10.7 and it went down to 10.2 instead of 10.4. So, they're relatively the same.

Government Construction Projects

Q. If I may follow up, sir, given the good news about unemployment in January, will you still consider the acceleration of government construction projects or some kind of jobs program?

The President. Well, we're looking at that and have been looking at that. Those are things that are in the budget, in which various agencies and departments and the Veterans Administration have got things that need doing. And what we're looking at is to see if we can accelerate the start of those and move them up. But it wouldn't make any budget change.

Q. Mr. President, would you look with favor on accelerating some of those construction projects even if it meant increasing the budget—perhaps by okaying construction projects that were scheduled to take place in later years?

The President. Well, we might look at them, but we would look at them always with the idea that our greatest goal must be to hold this line on deficits in order to reassure the money markets out there that we do intend to hold the line and that they can look forward to continued recovery.

Ann [Ann Compton, ABC News]?

Unemployment

Q. Mr. President, one thing concerned me. You said unemployment has finally started down. Does that mean that you think that over, say, the next 2 years unemployment won't come back up, touching the 11 percent mark? Do you think this is a trend downward or just a dip?

The President. I think it is a trend. I do think this: If you look at past recessions, you'll see that there's been a volatility to the unemployment figures. Now, that

doesn't mean that they come up higher than the highest point. But, for example, there may be a month where it might level off or come up, say, a little above the 10.4 [percent]. I don't think that you will see it come up above the high mark of 10.8.

Now, you, and then I'll get you.

Tax Cut and Indexing

Q. Mr. President, earlier this week in St. Louis, you said quite emphatically that there would be no give on the third year of the tax cut and on indexation the following year. Yet, your spokesmen, including the Treasury Secretary, have been hinting in public otherwise, that there might be some give. Which is it going to be?

The President. I think the worst thing in the world we could do—and particularly with recovery started now—is to do anything that would smack of a tax increase—as those would—and to take away those two parts of the economic program. And I just feel very determined about that.

Q. If I could follow up, sir, why have your spokesmen been hinting otherwise?

The President. I haven't heard exactly the remarks, and since I've come back, we haven't had a chance for any conversations about that. Maybe they're trying to indicate what I did in the State of the Union address, that there is a certain flexibility with regard to wanting to have a bipartisan program here to go forward together as we did on the social security program.

Bill [Bill Plante, CBS News]?

Humanitarian Aid for the Unemployed

Q. Mr. President, with the consensus now on both sides of the aisle up on Capitol Hill, will you commit to some kind of jobs program and will you commit to one that contains what your own people are calling humanitarian aid for the unemployed?

The President. Well, let me point something out they seem to be ignoring. First of all, the basic employment and training program, the act of 1983, is providing \$5 billion in job training and so forth for about 3 million Americans. That's in the fiscal '83 year. But there is already \$93 billion in the '84 budget for that very fact, for the unemployed, the needy, and so forth. So, we've got quite a big budgeted amount in this and

programs and ideas aimed at job training to meet this structural problem, because there are many unemployed people who will not be going back to the same jobs they had. Those jobs will no longer exist. And we're prepared to do something about that.

Q. Sir, if I may follow up, there's a great deal of pressure from both Republicans and Democrats to do something visible and to do it soon beyond what's already in your budget proposal. Will you?

The President. Well, they were talking about that before they'd seen what was in the budget proposal.

Q. And they're still talking about it.

The President. I had an argument the other day with someone who was talking about the very thing that I was finally able—when I got a word in—to say it's in the budget already. And we're certainly going to listen to what is suggested in relation to what is already proposed. And, as I say, we want to go forward in a bipartisan manner.

Q. Mr. President, on humanitarian aid, do you intend to provide any help at all to those people who have no food, or not enough of it, and those people who have no homes?

The President. We certainly are doing everything that we can in that regard. And there are programs that have been in place over the years for that very problem. Those people are automatically eligible for the programs that are in place. And we intend to continue that.

Q. But nothing new at all?

The President. No.

Situation in Lebanon

Q. Mr. President, could you give us your own reaction to the half dozen incidents that have occurred between our marines and the Israelis in Lebanon? And could you also respond to this growing feeling that the marines are in there for a longer stay than we initially thought? Some people are now talking about the possibility that the marines may be there for another year.

The President. I can't set any time limit on it. We're trying to expedite the departure from Lebanon of all the foreign forces in there.

These incidents are the type of thing that can happen, and the best answer to them is for the Israelis, the Syrians, and what remnants of the PLO there are to go back beyond their own borders.

The multinational forces were put in there at the request of the Lebanese Government, while they tried to establish stability in their own country. And this is evidence of it, the fact that where the multinational forces are carrying out their purpose, these repeated efforts to go through their lines and do what has been agreed that they will not do. And I think our forces are behaving very well.

Sam [Sam Donaldson, ABC News]?

Q. Sir, I'd like to follow up on that. Did the marine captain do the right thing? Were the Israelis trying to penetrate a place where they should not have? And, I guess more importantly, do we now have assurances from Israel that it won't happen again?

The President. We do have such assurances. And I must say that, yes, the same unit and the same commander had tried three times at this same point. And in my view, the marine officer did the only thing that he could do.

Truckers Strike

Q. Mr. President, can you tell us, with the trucking strike having increased violence, whether you agree with Senator McClure who now wants to repeal the user fees that would go into effect in '84 and '85 and that have upset the independent truckers? Would you support that, or would you let Congress repeal those user fees?

The President. I have to say that to allow a very tiny percentage of the truckers—the trucking union is opposed to what they're doing. About 80 percent of the independent truckers are not observing this strike. Some of them have been intimidated and frightened off the road, and you can understand that with the violence that's taken place. But to let a small percentage of any group of people in our country, by the use of murder and violence of the kind that they've used, change the laws of this country would be the worst precedent that we could set. How could there be any law and order from then on?

No. I have authorized the Justice Department to have the FBI cooperate with local authorities in trying to put an end to this violence. But we have always had a policy with regard to the user fee concept, which governs most of our transportation, gasoline taxes, and so forth, that there has been a proportionately higher tax for the trucks, commercial trucks, based on the very fact that they not only make a greater use, and a commercial use, than does the passenger automobile, they also represent a greater wear and tear on the highways.

Now, the taxes originally proposed were sizably reduced before the bill was passed. And these taxes, over and above the fuel tax, are being phased in, as you pointed out, over the next couple of years. And actually, I think that it is proportionately fair that those taxes be paid. And like any other business tax, they have the opportunity to pass them on to the customer, which is what happens with business taxes. A business can't pay taxes, it's a cost of production.

But the worst thing in the world, as I say, that we could do, would be to let any group of citizens say that they could change the laws of this country by committing murder.

Spending Freeze

Q. Mr. President, you spoke of a spending freeze in your State of the Union message. Now that Congress has had a chance to go over the budget, the Democrats are saying it isn't so much a freeze. Defense spending goes up, social spending comes down, and some services such as legal services would be abolished altogether.

The President. I said, and made it plain, the overall, total budget number was freed [frozen]. Within that, yes, there are some things that are increased, given higher priorities. There are some things given lower priorities. But I believe that we have preserved the safety net as we've always said we would. And I think that it is about time—since there have been, in spite of all the talk and the term "budget cuts," there have been no budget cuts. Each year, spending has gone up. And what we have cut are the projected budgets that were left for the next 5 years by the previous administration.

And incidentally, with regard to defense going up, it might be well to point out that the increase in defense spending—we have more than cut in half the increase over the projected Carter defense budget. More than half has been cut, and the increase since we've been here has only been about \$3 billion a year over what he, himself, had proposed then. And he was down in his spending. He was down to 5 percent of the gross national product for defense spending.

In the 1960's, defense spending was 10 percent of the gross national product. It was 8 percent in the 1970's. And by 1979, he had brought it down to 5 percent, and we are holding it to 7 percent.

[At this point, Mrs. Reagan entered with the President's birthday cake.]

Q. It's a losing proposition, Mr. President. [Laughter]

The President. [Speaking to Mrs. Reagan and referring to the laughter from the press when they saw her enter and surprise him.] You were getting laughs.

[At this point, the press sang "Happy Birthday" to the President.]

Q. [Singing] How old are you? [Laughter]

The President. [Singing] And 2 days early. [Laughter]

The First Lady. Happy birthday.

The President. Aren't they coming fast enough without moving it up?

The First Lady. Blow the candle out.

Q. Make a wish.

The First Lady. Make a wish.

Q. Balanced budget? [Laughter]

Q. Don't look at us that way. [Laughter]

The President. You should know what I'm wishing. [Laughter]

Q. It's easy enough to guess, sir. It's easy enough to guess. [Laughter]

[At this point, Mrs. Reagan gave the President a birthday card.]

Q. And the winner is—

[At this point, a large cake was brought in.]

The President. See, you don't have to share that little one. Look what's there.

Q. It's from Tip O'Neill.

Q. Something's coming out of it.

The President. It's got football bladders in it—blown up. They explode.

The First Lady. [Referring to the birthday card] It does not; it's from me.

The President. No, I said the cake. [Laughter]

Q. Well, read it for us, Mr. President.

The President. Well, it says, "I love you." And it says, "What more can I say? Happy Birthday." And then it says, "Guess who?" But she already just gave it away. [Laughter]

Well, thank you very much.

The First Lady. Oh, that's all right, honey. [Laughter]

Q. What were you saying before about— [laughter]—

Q. Do you want to finish your statement about unemployment? [Laughter]

The President. I think this ends the questions. [Laughter]

The First Lady. Oh, you have to—

The President. I have to make the first cut?

The First Lady. And make a wish.

The President. Make a wish? Again? A wish?

Q. Any wish you can tell us, Mr. President?

The President. You can't tell what you wish because then it won't come true.

The First Lady. That's right.

And you have to take the first piece.

The President. I have to take the first piece? I'll spoil my lunch. [Laughter]

The First Lady. You have to take the first piece.

The President. I'd have cut it smaller if I'd have known that.

Q. Mrs. Reagan, have you any resolutions you want him to make on his birthday?—anything you want him to do differently?

The First Lady. I think he's doing just fine.

Q. Well, maybe this would be a good time for you to tell him whether you think he should run again. [Laughter]

The First Lady. Oh, no. [Laughter]

Q. You're not getting too old to run again, are you, sir?

The President. What?

Q. You're not getting too old to run again, are you, sir?

The First Lady. How would you like a piece of cake, Sam? [Laughter]

Q. What can I get you? [Laughter]

Q. Did you bake it yourself?

The President. As a matter of fact, Sam, since she cut that one smaller, here, take mine and I'll trade.

The First Lady. No, no, no. That's bad luck. [Laughter]

Q. Well, don't give it to me! [Laughter]

Q. You mean Sam, or the cake? [Laughter]

The President. I have learned not to argue with her superstitions.

Q. Do you feel up to 6 more years, Mr. President?

The First Lady. Here, Chris. How about a piece of cake for you?

Deputy Press Secretary Speakes. Yes, give Sam and Chris a piece so they'll quit talking and start eating. [Laughter]

Q. Maybe if I ask a question, I can get—

The First Lady. You're right. [Laughter]

Q. But you understand, we won't sell out for a piece of cake. [Laughter] No deals.

The President. Oh, you've sold out for less than that. [Laughter]

Q. Ohhhh.

Q. If I had a comeback, I would not dare, not dare say it. [Laughter]

The President. I assumed that since the cake came in, everything is off the record.

Q. Well, you're still on the air. [Laughter]

Q. You see these microphones, Mr. President?

Q. We won't tell—

Q. As far as we know, they're still on.

The President. I thought you were giving them to me. [Laughter]

Q. Do you have any observations on your birthday, Mr. President? I mean any thoughts about the future?

Q. It's a softball question. [Laughter]

The President. It's just the 31st anniversary of my 39th birthday. And I'm enjoying

every one of them. And I think that it's fine when you consider the alternative. [Laughter]

Get everybody served back there.

Q. What would you like for your birthday, Mr. President?

The President. What would I like? [Laughter]

Q. You can tell us. We won't tell anybody. [Laughter]

Q. Would you like to go back to your ranch and enjoy life back there?

The President. That's what I'd like, is a trip to the ranch, really. If that's what you're asking—what would I like.

The First Lady. Now, now.

The President. No, I could like a lot of—I could wish for a lot of things. But I can't tell you what I wish for, because then it won't come true. Nancy told me it wouldn't. You've seen her about the cake.

Q. You want to talk about the Russians any? I mean—

The President. I've got another speech to make, so you can have that.

Bye. Thank you very much.

The First Lady. What were you talking about up here?

Q. Any special thoughts about the next year, sir?

The President. Yes, I think it's going to be very much better. It's already started. And I have confirmation from Alice Rivlin [Director] over at CBO [Congressional Budget Office] on that this morning.

Q. This isn't bad cake.

The First Lady. Oh, course not.

Q. Thank you. Happy birthday.

The President. Say, it's delicious. Don't leave without it.

Note: The President spoke at 10:48 a.m. in the Briefing Room at the White House.

Question-and-Answer Session With Reporters on the Unemployment Rate

February 4, 1983

Q. Happy birthday.

Q. Happy birthday.

Q. Is the recession over?

Q. [*Inaudible*—organized labor said the jobless rate went down only because—

Q. He didn't hear you.

Q. Mr. President—

The President. I won't stop, but what?

Q. [*Inaudible*—says the jobless rate only went down because 600,000 people just stopped looking for work. What do you say about that?

The President. Well, there is another confirming fact that disputes that. And that is

that the Bureau of Labor Statistics also contacts a very sizable proportion of the business institutions in the country. And those that they contacted replied that they have increased employment by more than 300,000 people.

Q. Mr. President, is the recession over?

The President. What?

Q. Is the recession over?

Note: The exchange began at 3:35 p.m. at the South Portico of the White House as the President was leaving for Camp David, Md.

Radio Address to the Nation on the Economic Recovery Program

February 5, 1983

My fellow Americans:

I'd like to talk to you about a word. It's a word we've all been hearing a lot lately. The word is "Reaganomics." Somewhere along the line, our economic program got tagged with that label. To tell you the truth, it isn't a name I would have chosen. It sounds like a fad diet or an aerobic exercise. But we seem to be stuck with it. With every anchorman on the evening news, a goodly share of political pundits, and more than a few politicians using it, it has a good chance of becoming standard Americana.

There wouldn't be anything wrong with that, except that it's used as a term for something that's supposed to have failed. So if you don't mind, I'm asking for equal time—well, at least, for about the next 5 minutes.

We are, and have been for some time, in a recession. Unemployment was running at 10.8 percent as the year ended. But we learned yesterday the welcome news that it dropped to 10.4 percent in January. And if you include our men and women in the military as part of the work force, which makes sense, it's down to 10.2 percent.

Still, only about two-thirds of our industrial capacity is being used. Our government is facing large deficits, and interest rates are still too high. And we're told all of this is the result of an economic program put into place by our administration and which, for obvious reasons, is called Reaganomics.

I know some will say I'm being defensive, but I'll risk that, because in the weeks ahead decisions are going to be made here in Washington that will have a bearing on whether unemployment continues to go down and the economy continues to turn up. You will help determine some of these decisions because public opinion does influence government. Therefore, you must have a clear fix on the facts, the economic realities.

Thomas Jefferson said, "If the people know the truth, they'll never make a mistake." So, let's start with some dates.

Back in 1979 inflation was rising, unemployment was increasing, and by 1980 we were in a recession. Unemployment had reached such a point in the last half of 1980 that I referred to it as a depression. I was criticized for that by technical-minded

people who said it was only a recession. But you'll have to forgive me. I was campaigning in Flint, Michigan, where the unemployment rate was already 20 percent; in Detroit it was 18 percent, and across the line in Ohio, steelmills were closing. In an Indiana city, unemployment was 23 percent. Inflation was in double digits for 1979 and '80 and reached 14 percent during the 1980 campaign. Interest rates went to 21½ percent, and the housing industry was at a standstill.

Our administration opened up shop on January 20th, 1981. The prime interest was still above 20 percent, inflation was 12.4, and unemployment was 7.3 percent. The 1981 budget had already been put in place by the previous administration and began on October 1st, 1980. Now, there was nothing we could do about that budget—it wasn't ours—although we did manage to squeeze out a few billion dollars through some management changes. For the most part, however, we were engaged in a struggle to get our budget proposals for 1982 adopted and the other part of our economic recovery program—tax cuts for all Americans to help stimulate the economy.

All the time, interest rates stayed high, unemployment kept increasing and, by July, the bottom had fallen out.

About this same time, our economic program, most of it, was passed—major reductions in the growth of spending and a 25-percent cut in income tax rates to be phased in over a 3-year period. But none of this went into effect until October 1, 1981. The first portion of the tax cut was only 5 percent; another 10 percent would take place in July of 1982. Reaganomics, as they would have it, started only 16 months ago. There was another 10-percent cut in the income tax scheduled for this coming July.

Now, what has happened in those 16 months of Reaganomics? Well, with the help of the Federal Reserve Board, inflation has dropped to only 3.9 percent for all of 1982, the lowest it's been in 10 years. Inter-

est rates are about half what they were. The effect of that is a 40-percent increase in housing starts. Automobile sales are up, as are all retail sales. Factory orders have begun to increase. One timber company I know of, which a year ago today was completely shut down, is now on two shifts a day, 5 days a week. Real wages are up for the first time in 3 years. And the rate of personal savings is up, meaning more capital for investment. And, as I've already mentioned, "the lagging indicator," as it's called, unemployment, just took its first drop—10.8 to 10.4. A survey of business establishments shows somewhere around 300,000 more people working. We've a long way to go, but that's a start at last.

Now, I've seen in the flesh some of these statistics I've quoted. A few days ago, I visited a Chrysler plant in Fenton, Missouri, where 1,700 workers are being called back to a newly modernized plant. Another plant will be calling back an additional 1,500 workers by late summer. In nearby Hazelwood, the Ford plant was adding another entire shift. And General Motors has announced it plans to call back more than 21,000 of the indefinite layoffs over the next few months. For 8 out of the last 9 months, the leading economic indicators have been up.

In the weeks ahead, there'll be debates as to what course we should follow. The choice that will be offered is to turn away from our economic recovery program and go back to what was being done before. May I point out, all of the good things I've mentioned didn't begin until after our program, Reaganomics, if you will, was put in place. Prior to that, everything had been a mess for 3 years or more. I wonder if they'll still use that name when they've found out it works.

Until next time, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Appointment of William J. Perry as a Member of the President's Commission on Strategic Forces February 5, 1983

The President has asked Dr. William J. Perry to serve on the President's Commission on Strategic Forces.

Dr. Perry is now the senior vice president and managing director of research of Hambrecht & Quist, Inc., an investment banking firm in San Francisco. He currently serves as a member of the Defense Science Board. He served as Under Secretary of Defense for Research and Engineering from October 21, 1977, until January 20, 1981. He was Director of Defense Research and Engineering from April 11, 1977, until that position was redesignated as Under Secretary.

Dr. Perry has been assisting the Commission as a special counselor during its deliberations to date. Other special counselors

are: Dr. Harold Brown, the Honorable Lloyd Cutler, Dr. Henry Kissinger, the Honorable Melvin Laird, the Honorable John McCone, the Honorable Donald Rumsfeld, Dr. James Schlesinger, and the Honorable Cyrus Vance.

Members of the Commission, in addition to Dr. Perry, are: the Honorable Brent Scowcroft, Chairman; the Honorable Thomas Reed, Vice Chairman; the Honorable Nicholas Brady; the Honorable William Clements; Dr. John Deutch; the Honorable Alexander M. Haig, Jr.; the Honorable Richard Helms; John Lyons; Vice Adm. Levering Smith, USN (Ret.); and the Honorable James Woolsey. Dr. Marvin Atkins is the Commission's Executive Secretary.

Question-and-Answer Session With Local Television Anchors on Domestic and Foreign Policy Issues February 7, 1983

The President. I know I interrupted Dave, and I—

*Ms. Small.*¹ That's quite all right. We're happy to have you, sir.

The President. —when I said you were all familiar faces, you are. I'm glad, however, that when I'm watching you, you can't be watching me, because I'm usually in my dressing room upstairs changing clothes either to go to the Exercise Room or coming from it.

But I'm happy to have you here at the White House and I do watch, as I say, your newscasts. And I'm well aware that across the country more people depend on local news than they do on the national news and get their news from local news broadcasts.

Now, I know you've been briefed or were

being briefed by Dave Stockman and Buck Chapoton, and you'll be hearing from Bud McFarlane and Cap Weinberger² a bit later.

The Nation's Economy

But just let me say that since economic recovery has been the lead story on most programs lately, it's awfully good to see—we've been seeing more signs that the economy is on the mend. And if I could just mention a couple of them.

You know, of course, that inflation rate for '82 was down to 3.9. But not too much attention has been paid to the fact that for the last 3 months of 1982, it was down to an

¹ Karna Small Stringer, Deputy Assistant to the President and Director of Media Relations and Planning.

² Director of the Office of Management and Budget, Assistant Secretary of the Treasury (Tax Policy), Deputy Assistant to the President for National Security Affairs, and Secretary of Defense, respectively.

annualized rate of 1.1. And if that could continue for 12 months, instead of 3. The index of leading indicators—up 8 of the last 9 months. Real wages have gone up in the last 3 months. They'd been going down for the last 4 years.

Housing starts are up. Housing permits are up, and sales of new homes has grown by 75 percent since last April. The auto industry is picking up. We all know General Motors has announced they're going to call back more than 21,000 people in the next few months. Initial claims for unemployment insurance—down. And, of course, I think we must have all been pleased to see at least the slight turnaround there, the four-tenths of a percentage point turnaround on the average.

And more than that, if you take the new method of counting, which I always thought should be the only method—I don't know how we've been able to ignore almost 2 million people that are fully employed in the military. And yet, at the same time, I don't know whether you're aware that every time one of them left the military and didn't get a job, he was counted as unemployed. But he or she were not counted as employed when they had those jobs. I think it's a more sensible way of counting.

We've tried to be cautious with our projections, but I think it's interesting that the Congressional Budget Office, which is usually more pessimistic than ourselves, is now sounding more optimistic that we can have a better recovery. Alice Rivlin has just become so attractive to me. [Laughter] But we intend to work with the Congress, as I'm sure you've been told, to see that this stays on track.

And now, I know we only have a few minutes, but you being—

Administration Policymaking

Q. Mr. President, what do you think about all of these stories that you're really not in control of the budget data and you flunked David Stockman's multiple-choice questionnaire and—

The President. I've got a doll in my desk I stick pins into when I read them.

I don't know what that—well, I suppose I shouldn't have been too surprised. I think it happens to more than one person. I recall

attempts of that kind when I was in Sacramento as Governor. Then they called it the Palace Guard. But, no, and I think anyone that's in our administration will tell you that—that has anything to do with policy-making—that I make the decisions.

Maybe part of it has come about because of a change that we've made in the Cabinet system. As nearly as I've been able to find out, previous administrations back through the years have sort of used the Cabinet as maybe they'd come once a month and go around the table with each Cabinet head and give him a little brief verbal report of what his agency was doing. Well, I started something in California, with the Cabinet, that I brought here. And that was that it's a kind of a board of directors operation.

We sit around the Cabinet table, as we're sitting here, and instead of just the one person, if he thinks that—well, it's his agency problem and he's the only one can speak on that. No. Everybody has a pitch-in. And we sit there, and we discuss and sometimes argue. And it goes around the table and around. And when I've finally heard enough to finalize my own decision, I make the decision, and that ends the discussion on that. If I haven't, if it's something that's so tough that there's so much right on both sides, send them away to come back the next day, and we'll take it up again. And maybe that has led to this.

I've noticed that it's always from those unidentified White House informants that this talk, this conversation comes. But I would turn my back and let any of the Cabinet members answer, and I think you'd find the answer was, I make the decision.

Administration Policy Toward Black Americans

Q. Mr. President, are you at all concerned about an apparent continuing perception among a number of black leaders that the White House continues to be, if not hostile, at least not welcome to black viewpoints, and that administration policies are working to widen the income gap between blacks and whites, and also increase black unemployment?

The President. I'm aware of all of that. And it's very disturbing to me, because

anyone who knows my life story, knows that long before there was even a thing called the civil rights movement, I was busy on that side.

As a sports announcer I didn't have any Willie Mays or Reggie Jacksons to talk about when I was broadcasting major league baseball. The opening line of the Spaulding Baseball Guide said, "Baseball is a game for Caucasian gentlemen." And as a sports announcer I was one of a very small fraternity that used that job to editorialize against that ridiculous blocking of so many fine athletes and so many fine Americans from participating in what was called the great American game.

I was raised that way. God bless them, my father and mother, both long gone now—but I can remember when I was only that high, and one of the alltime great motion picture classics, "Birth of a Nation," came to our town. In our household my father simply announced that no member of our family would see that picture, because it was based on the Ku Klux Klan. And to this day I have never seen that great motion picture classic.

Yes, it's very frustrating. But none of it—and I wonder sometimes if some of those leaders aren't—maybe they don't even realize it—but aren't more interested in maintaining a kind of difference, in spite of—because that's their position and their line of work.

But the truth is, none of it is true in this administration. I can cite you the figures on what we have done with regard to civil rights violations. I can cite you what we have done for the Negro colleges and their fundraising effort. As for what we've done with regard to unemployment or trying to make a difference: I know this thing about supposedly our tax program is for the rich; I've never been able to figure that out. We have a progressive tax system. You move as you get more income into higher brackets.

In recent years, with inflation, you've moved whether you got higher income, but just if you got a pay raise that simply let you supposedly break even, you didn't break even, because the Government put you up in a higher percentage bracket. But when we gave our tax cut, 25 percent across the board—yes, if you want to use

the number of dollars, a fellow that's paying a hundred dollars income tax is not going to get as many dollars in relief as the fellow that's paying a thousand or on up, ten thousand or a hundred thousand. But proportionately, they are.

And if we had staggered our tax cut instead of level across the board, we would have, in effect, legislated an increase in the progressivity, which as we know, goes from a quite lower percent on up now to 50, but it once upon a time went to—well, when I was getting some of that "if-money" in Hollywood, it was 94 percent. And it used to curtail your picture-making efforts, because there came a point every year when somebody submitted a script. And you said, "Not me; I'm not going to work for 6 cents on the dollar."

But I think that anyone would find—and with regard to unemployment, there's no question that this has been and it's one of the things that I think for years we've been trying to correct—that when unemployment comes—and there have been seven spells of this since World War II before this one, and always the same thing was true—that it seemed that black employees suffered more in a higher rate of unemployment.

I have tried to convince many black leaders and labor leaders that, with regard to the minimum tax for youngsters, for teenagers, for kids that want summer jobs, we should have a two-stage tax, because before there was a minimum wage—I said "minimum tax," didn't I?—minimum wage. Before there was a minimum wage, young teenage blacks had a far lower rate of unemployment than teenage whites. And as the minimum wage was put into effect and began to increase, this reversed. And I think that it's, of course, affected all teenagers.

But I think that, for youngsters beginning to go into the work force, they're not going to take any adult's job away from him. They never did. They're learning a job. They're getting a skill. They're performing tasks that, at a proper price, an employer will hire them. But, if you make the price too high, they're tasks that the employer feels he can do without. And so no one is hired

to take those jobs.

1984 Presidential Election

Q. Mr. President, you just celebrated your birthday. Happy birthday.

The President. Thank you. I just reached par. [Laughter]

Q. And the week before that, the footrace began toward New Hampshire and Illinois—the caucus in Illinois and the New Hampshire primary. When are you going to announce your intentions about running again?

The President. [Laughing] Well, I think—and if you look back over history—that is a ticklish thing for a President in his first term. If he makes an early decision one way, he becomes a lameduck. If he makes it the other way, he's then accused of everything he does is political campaigning. So, I think that, if you wait—and I have not made a decision, by the way, because I also believe that the people let you know what the decision should be.

Q. Does all this start too early?

The President. Hmm?

Q. Does all this start too early?

The President. Oh, I think this—

Q. The political process toward the primaries.

The President. Oh, on the other side, I can understand that. Look at it 4 years ago—when it was—or no, now, 6 years ago, when it was the Republicans' turn for scrambling against a Democratic incumbent. And it was just much the same picture. We had a dozen or so out there.

Q. You were out there for 2 years, I think.

The President. What?

Q. You were out there for 2½ years before the first primary election.

The President. No. As a matter of fact, I refused to make a decision on that for quite some time. Maybe you're confused. There was a group that started in the country. And believe it or not—

Q. Draft Reagan?

The President. —I didn't have anything to do with them.

Q. Okay.

The President. There was a move that started at that time.

Q. Would you be reelected if the election

were held today, Mr. President, in your view?

The President. Well, this'd be the headline if I answered it. [Laughter]

I have to say this. I'm confused by some of the polls. I know a little about polls anymore, and I know a lot of it depends on how the question is asked. But I get around the country enough, make enough appearances that somehow I don't seem to run into many of those people.

As a matter of fact, we have a kind of a standing thing in our family. Nancy's very critical of me, because when you go out and the streets are lined with people and when you're away from Washington and so forth—and I know that much of that's simply because of the institution itself, the Presidency—but the reaction of those people. But Nancy's annoyance is, she says that I always somehow manage to see the one person in the whole crowd who is doing like this or making a vulgar sign or something at me. And it is true. I do.

Q. Are you watching the economy as one guideline as to whether you want to subject yourself to another campaign?

The President. Well, I think that that undoubtedly is the issue on most people's minds. When we started, the issue was inflation—more than 80 percent—and all the polls showed that as the number one problem. Well now, that's no longer the number one problem, because we've reduced it. But now it is unemployment and the economy. And I could expect that. And I'm very concerned about unemployment myself, and tragically it's usually the last thing that comes back when you come out of a recession.

But, yes, I would think that that would be—if there is no recovery, obviously that'd be a sign.

Federal Employees

Q. Mr. President, in our area we're particularly concerned with the large number of Federal employees, of course. They're our local viewers. And how does the administration justify or explain to them the freeze and the cutbacks and the reduction in the long term—in the pension plans, which are so much better than private

plans are generally?

The President. Well, for one thing, we have not affected the people that are presently employees, except there has been a change—that there's had to be an increase. Their pension plan is such that today many retirees are getting more money in retirement than the person is getting in wages who is doing the job they retired from. And so, it was out of balance, and it was only fairness to ask, with the built-in increases in those pensions, that they contribute a little larger share.

Now, we have also added—we are covering them now for Medicare. They do not have such coverage. And with all the talk about whether medicare is being increased in cost or not, or participation—which it is in our proposed budget—no one has added that we are adding to that, for the first time, catastrophic care; that these people will now be protected against that catastrophic illness or injury that now and then totally devastates a family because there's no way that any individual could meet the cost.

With regard to whether it's fair or not to ask them to take a freeze: First of all, the freeze in COLA's is not as significant as it was back when under the previous administration, the inflation rate was 12.4 percent—or even 14 percent at one point. It isn't that big a sacrifice. But in the condition that we're in, and in an effort to help this economy, we're asking that of everyone.

And I was impressed—I don't know which one of your stations it was—but I was impressed enough to make a phone call to that young enlisted man over at Ft. Myer that someone interviewed as to how he felt about having the military pay froze. If anyone has a right to complain, they do, because up till recently they were far behind anyone with regard to pay that was commensurate with the work they were doing at all.

Ms. Small. Could we have just one more question. He has another—

The Middle East

Q. Mr. President, on the Middle East—

Q. Can I ask you about your relationship with Mr. Begin?

The President. Well, then, we'll have to have two more questions. [Laughter]

Q. There is settlements proceeding apace on the West Bank. There's tension between our forces and Israeli forces in Beirut. And I'm wondering if the Reagan plan is falling on totally deaf ears as far as Mr. Begin is concerned. Is your relationship—has your relationship improved at all?

The President. Well, I don't think that it is as strange as some would have you believe. I think that we've established quite a personal bond on his visits here.

It's true we disagree on this particular issue about getting out of Lebanon, because we know that in our efforts to try and bring the Arab States around to the position that Egypt once took so that they can make peace with Israel, we have to be careful. And one of the big contentions is the withdrawal of all foreign forces from Lebanon. And Israel is delaying, we believe, unnecessarily in that. So, Phil Habib³ has gone back again and—with a proposal and a plan—and we're hopeful that they finally will, because the Arab nations are holding back and are reluctant unless they see this kind of gesture of good will.

Also, I think that there's a certain moral point that we think the Israelis are neglecting and not observing. And that is, the new Government of Lebanon, after all these years of revolution and upheaval, has asked all the foreign forces to leave. For them not to leave now puts them technically in the position of an occupying force, that they are there by force in this country that has said to them, "We now want you to depart."

So, we're going to continue trying to bring this peace movement on. But we don't believe that we can move to the actual peace negotiations in the Middle East until the Lebanon situation is cleared. And I personally have believed that if this requires even an increase in the multinational forces for further stability that we should be willing to do that.

Federal Employees

And to finish answering your question

³ *The President's Special Representative for the Middle East.*

before I take yours: We thought that asking Government employees, all across the board, to take a freeze in the increase in pay was not too much when you stop to think the sacrifice that's being made out there in the private sector—those that are unemployed, but also those many employees that have taken voluntary cuts in benefits and programs and in salaries in order to help their employers—that we could do the same thing.

Employment Programs

Q. Mr. President, we are all concerned about perhaps the misuse or misinterpretation of the use of words and phrases. One of those happens to be—and this ties back to David Stockman—the phrase, “We will not have make-work programs.” Whereas we understand it and Congress understands it, sometimes many of our viewers do not understand, and they think it's hard-hearted Ronald Reagan saying that we will not have any solution to the unemployment program. And I just wonder if you would expand on that for us as to what you mean when you say you are not for make-work programs.

The President. Well, many of the jobs programs—in the past recessions, there was always a tendency, the one thing that was politically unacceptable was unemployment. So, the Government would rush in with a lot of artificial stimulants, government spending and so forth, and large parts of that would be job programs where the Government would suddenly go out, provide funds, hire people.

I was Governor when some of those took place in our own State. And I saw local communities and local governments dream up things that they didn't need because the money was available. But those programs then are supposed to be temporary, and at the same time you were adding to the cause of your recession, increasing the deficit spending. And no one was paying any attention as to whether that increased deficit spending was taking away unemployment over here in the private sector. But the worst feature was that many of those programs, the smallest percentage of the money actually went in to paying the workers. The Federal Government had a very high overhead and quite a carrying charge

for those.

Now, there is a difference—and Tip O'Neill and I have discussed this—that it isn't make-work if you simply stimulate or move up or accelerate a program of necessary public works. Now, this is what we did with the gasoline tax.

Everyone, I know, said, well, I had said I would not, you know, it would take a palace coup before I would ever accept such a gasoline tax. The framework in which I said that at a press conference was when it was being proposed as just a tax for general revenues to increase taxes—tax gasoline more. But more than a year before, Drew Lewis had come to me with the rundown on our highway system and the bridges and even the real great risk and danger—well, just the other day, we saw a bridge collapse with several deaths. And a year before, when he had come with that, proposed a users fee, a gas tax to simply finance that kind of construction, I had to ask him at that time, could he wait a year. And he did.

And when he came back this latter time, the report was even more dangerous, more threatening. The numbers of school buses in the country, that in their zones where there are bridges, come to the bridge, and stop, and the students have to get out and walk across, and then the driver stays in and drives the empty bus across and picks them up again because they're afraid of an accident with all those children in the school bus. So, this time, having told him to wait a year, I said, “Yes, we'll go for it.”

Now, this is legitimate. This is work that has to be done. The jobs are already going not to individuals that are suddenly given a job, whether they fit it or not. These are people—construction workers and construction companies. A delegation from the road-building industry in Illinois presented me with a hard hat when I was out there because of the jobs. In Missouri they've already started on their program of rebuilding and even building new ones.

Now, we have asked—and it won't change the budget a bit—that every agency and department that has got building maintenance work that is in need of doing and that has not been done and so forth, to accelerate it. It's in the budget already.

Don't schedule it for a year from now or 6 months from now, if you can move it up and do it now. That will be legitimate work.

The make-work jobs—I can give you one example of one that I vetoed when I was Governor. It came from Washington, and a Governor could veto, and if it wasn't overridden in 60 days with the Federal Government, why, it stayed permanent. This was a program to put 17 able-bodied welfare recipients to work in a county park, cleaning up the park and keeping it cleaned up and everything. Why would I veto such a thing as that? Well, because more than 50 percent of the budget was going to go to 11 administrators to make sure that the 17 got to work on time. And I thought the percentages were a little wrong.

Ms. Small. Thank you, Mr. President, you have another meeting so—

The President. I know I do.

The President's Birthday

Q. Could you tell us how you celebrated your birthday yesterday?

The President. What's that?

Q. How you celebrated your birthday last night?

The President. Well, yesterday we had to come down early from Camp David so we wouldn't get snowed in. And then we just had a few people for a dinner that we'd been planning for some time, and that's when the birthday was.

I have just received a very heartwarming set of unusual gifts in the other room from some people from Monroe, Louisiana. And among them, though, was a framed picture—I'll take this as the celebration—a framed picture of the billboards that they put up all over Monroe, regular billboards saying happy birthday to me and thanking me for coming down in the flood. And another one was a facsimile of a check that the Goodfellows of Monroe contributed for flood relief of 83,600-and-some dollars.

Their normal annual contribution is around \$370. And so, that was enough of a celebration.

You really don't celebrate when you get to this age; you just say, "Thanks." [*Laughter*]

Ms. Small. Mr. President, his daughter has sent you a birthday card—[*inaudible*].
The President. Oh.

Ms. Small. You can take that along with you. She made it for you.

The President. Well, for heaven's sake, she's a doodler, too. [*Laughter*] Well, you tell Brooke I'm very grateful.

Q. Thank you.

Q. Are you still rolling on your wheel every day?

The President. No, I gave that up. I've got a—there's a gym up there, and I'm doing different sets of exercises.

Q. Oh, higher class exercises.

The President. No, I tell you. I gave it up because I'd been doing it about 15 years, and I began—my belt seemed to be as tight as ever. [*Laughter*] I was hard, and finally a man knowledgeable in that field told me that that was—yes, it was, but it was also stretching the muscles. And since those muscles—there was no place else for them to go but to bulge. So, I quit. And I've got another set of exercises.

Q. What's your favorite exercise?

The President. What?

Q. What's your favorite exercise?

The President. Well, it's a whole variety of them aimed at different muscles. And this same gentleman gave me a schedule of two for alternate days. There's a little Nautilus machine up there with the weights and the pulleys and so forth. And I didn't think at my age you could grow muscle, but I'm having to have some coats let out, but not down here. [*Laughter*]

Note: The exchange began at 11:50 a.m. in the Roosevelt Room at the White House.

Remarks at a White House Ceremony Commemorating the Bicentennial Year of Air and Space Flight February 7, 1983

Welcome to the White House. Today we're gathered to acknowledge the bicentennial of air and space travel. It all started 200 years ago at La Murette, France, with man's first flight in a hot air balloon. Ten years later, President George Washington, along with four future presidents—Adams, Jefferson, Madison, and Monroe—witnessed the first successful free flight in America.

Now, even though I had a birthday yesterday, I was not present—[laughter]—at that occasion.

But just how far we've come was brought home to me and to the American people last Fourth of July, when we witnessed the return of the space shuttle, the *Columbia*, in the California desert. And it still baffles my imagination. They told us to come up on the platform there where we were to witness the landing of that craft and all, and then told us that it was on its approach pattern for the landing just out over Honolulu, and we were at Edwards Air Force Base in California.

Today we stand on the edge of a world in which opportunities are limited only by our own imagination. Our leadership in the air and space technology, a leadership we're determined to maintain, has already provided the American people with a rich bounty that has strengthened our economy and bettered our lives.

And this is not a new revolution or revelation. Back in 1969, as the Governor of California, I commissioned a task force on aerospace aviation education so that our young citizens could be prepared for future opportunities in this field. In a program similar to this, and consistent with the thrust of my State of the Union message, Lynn Helms over at the Federal Aviation Administration tells me he's embarking on a new initiative, an aviation education program that will help our students make sure that when the future gets here, they'll be ready for it.

Aerospace sales today account for 2 percent of gross national product, while the

aerospace industry employs more than a million Americans. The industry contributes enormously to our ever more important export earnings, and the technological spin-offs from our air and space endeavors have also improved the competitive edge of a host of air industries. When you add it all up, our country's commitment to the development of air and space technology is one of the best investments the American people have ever made.

But there are benefits you can't find on the ledger sheet. American leadership in air and space has played a significant role in shaping our self-image.

Will Rogers once reflected that "America is never in a better humor or feeling better than when moving." So all this traveling is a mighty good omen. Will was an air enthusiast himself, as we all know. He had insights about the American spirit that were deeper than one might expect at first glance.

We Americans have always been at our best when we've faced challenge—exploring and taming new frontiers, testing our talents and abilities and, yes, moving on. We're a nation that lionizes pathfinders, whether they be Daniel Boone or Charles Lindbergh. Many of tomorrow's heroes, the men and women who will inspire our people and exemplify what it means to be an American, will be individuals who are part of our conquest of the vast frontier of space—a frontier that's always been in sight, but that only now is coming within reach.

Americans played a leading role in developing technology for the conquest of air. It's not mere coincidence that most of the world now travels on American wings, as can be seen on the runways of international airports the world over.

When it comes to the conquest of space, certainly we have competition from friends and adversaries. Well, we welcome it. I firmly believe that space enterprise will bring mankind closer together, even as we compete. We also benefit from cooperation.

On my recent visit to Latin America, I invited Brazil to join us in the use of a space shuttle, an invitation that included the training of a Brazilian who will accompany their payloads on the shuttle. And when I met with Prime Minister Nakasone a few weeks ago, I extended a similar invitation to the Japanese. Our friends and allies in Europe are already working with us. In a few months, a German astronaut, sponsored by the European Space Agency, will fly on the shuttle in a joint U.S.-European space lab mission. In the future, I would hope that joint space ventures will draw all freedom-loving people closer together.

The space shuttle program is a vital part of this effort. To ensure the full potential, I've recently decided that we'll keep the shuttle production lines intact, in order to continue the operation of the shuttle fleet in the most robust manner possible. By doing this, we also preserve the option of building the fifth shuttle to capitalize on the tremendous opportunities that lie ahead.

One man who saw the enormous potential of space was recently elected to the Congress. Sadly, Jack Swigert, a former astronaut, fell victim to cancer before he was able to take that office. But he was a fighter to the end. He was a pioneer. And if Jack Swigert is the kind of man who emerges from the space program, we have reason to be confident about our nation's future.

Jack was a man of strength and principle, of action yet of wisdom, with an abiding faith in his country and our way of life. During his trip to the Moon, Apollo 13, you'll recall, was rocked by an explosion. It was only with courage and extraordinary ingenuity and the grace of God that the crew managed to return safely to Earth.

While running for election last year, Jack had a message for the voters of his district, a message of optimism that I wish all Americans could hear. I was privileged, Jack said, to be one of the few who viewed our Earth from the Moon, and the vision taught me that technology and commitment can overcome any challenge. Pushing back boundaries, overcoming limitations, and conquering new frontiers is what create men like Jack Swigert.

As we celebrate the many events for this

bicentennial, let's remember we're celebrating more than the building of flying machines. We're making choices that are shaping the world in which our children will live. Our commitment to air and space is a pledge to them that the quality of our lives will be better and their horizons broader because of technology, of vision, of human qualities that we bring in our generation to conquering the endless cosmic frontier which stretches before us.

I've always believed that mankind is capable of greatness. We haven't even come close yet to reaching our potential. But it depends on us. God gave angels wings. He gave mankind dreams. And with His help, there's no limit to what can be accomplished.

You know, I have to tell you a little personal experience here. I was Governor of California back in the riotous days of the sixties. And I couldn't go to a college football game. There'd be a riot instead. [Laughter] Anyone in authority was in the same position. But I remember one day when a group of the leaders of that came from the campuses of the University of California to Sacramento. They had demanded a meeting with me. Well, I was delighted because, as I say, I couldn't go and meet with them.

So, they came in and, as was the custom of the day of that particular group of young people, they were barefoot, and torn t-shirts, and slouched in their chairs. And finally one of them who was the spokesman said to me, "Governor, it's impossible for you to understand us." And I tried to pass it off. I said, "Well, we know more about being young than we do about being old." And he said, "No, your generation cannot understand their own sons and daughters." He said, "You didn't grow up in an era of space travel, of jet travel, of cybernetics, computers figuring in seconds what it used to take men years to figure out." And he went on like that. And usually you only think of the answer after you're gone, but the Lord was good to me. And he talked long enough that I finally interrupted him, and I said, "Wait a minute. It's true what you said. We didn't grow up, my generation, with those things. We invented them." [Laughter and applause]

Thank you.

Now, I understand I'm supposed to go over there after I say some hellos up here I want to say. But don't think I'm going to get in that thing. I'm from the horse cavalry. [*Laughter*]

Note: The President spoke at 1:15 p.m. in the East Room to a group of leading figures in aviation, government, diplomacy, the military, and business. There was a large model of the space shuttle Columbia off to the side of the podium, and following his remarks, the President, escorted by Apollo 7 astronaut Michael Collins, inspected the

model.

Following the President's remarks, Senator Charles McC. Mathias, Jr., chairman of the bicentennial committee, presented Walter J. Boyne, Acting Director of the National Air and Space Museum, with the Air and Space Bicentennial symbol which flew in space with the Columbia shuttle mission in November 1982. The logo, signed by all four astronauts, was the subject of the first televised commercial from space when mission commander Vance Brand displayed it for television and briefly told the bicentennial story. The logo will be part of the Museum's space collection.

Remarks at the Swearing-In Ceremony for Elizabeth H. Dole as Secretary of Transportation

February 7, 1983

The Secretary. Mr. President, Justice O'Connor, Senator Dole—[*laughter*—]and my dear mother:

This is, of course, a very, very high moment for me in my career. And I first want to thank Justice O'Connor for being here this afternoon to administer the oath of office to me. She is widely admired and regarded across this country at a time when millions of women are experiencing new opportunities, and their horizons are broadening.

Each person who is here today with me, whether it be a family member, a friend, or a colleague, has played a very special part in my life. I'm especially happy, of course, to have family with me, because they are the ones who have supported me, given me that moral support and encouragement through the years.

And, Mr. President, I don't dare give Bob a chance to say a few words, because I think there may be a little humor left over from his confirmation hearing, and I don't dare give him that chance. [*Laughter*]

But I am happy to have my husband, to have Robin Dole, my brother and his wife and children, with me today. And I'm especially pleased to have my mother, Mary

Hanford, from Salisbury, North Carolina, because she has been a real source of support and encouragement and inspiration to me through the years of my life. And certainly from the time I was a small child, it was she who imparted to me the spiritual values that I find so meaningful in my life at this point.

Mr. President, I want to thank you for the challenge, for the opportunities which you have given me to serve as a member of your Cabinet. And I want to pledge to you that I will give you my very best effort, with the help of God, and that I will strive to uphold the traditions of excellence which have been established at the Department of Transportation by my predecessors.

I know that the desk is already stacked high with challenges. So, after this ceremony is finished, I will proceed to the Department of Transportation to undertake those challenges. And I look forward to my opportunity, and thank you so very much.

The President. Elizabeth, let me just say something here. You know, it would be very easy to say that, of course, we're going to miss her here in the White House. But to tell you the truth, she was doing such a wonderful job and working so hard that I

didn't see as much of her as I'm going to see now that she's on the Cabinet—[laughter]—because the Cabinet meets more frequently than we had opportunities to meet. And I know what she can do, and I'm very proud and happy that she will be a member of the Cabinet. But I also want to say that she has performed magnificently here, and I know that that will be carried on as well by her successor here.

So, I'm just pleased and happy myself.
The Secretary. Thank you.

Note: Associate Justice Sandra Day O'Connor of the Supreme Court of the United States administered the oath of office to Secretary Dole at 2:09 p.m. at the ceremony in the Roosevelt Room at the White House. The remarks of the Secretary and the President followed the oath of office.

In her remarks, the Secretary referred to her husband, Senator Robert Dole of Kansas.

Remarks at a Ceremony Marking United States Membership in the African Development Bank *February 8, 1983*

President Reagan. Your Excellencies, President Mung'Omba, Secretary Regan, and Members of the Congress and distinguished guests:

One of the great pleasures of this office is that I often have a chance to do something unabashedly positive in nature. And I'm pleased to say that what we're about to do offers such an opportunity.

Today we mark the new American partnership, as I'm sure Secretary Regan has told you, with the people of Africa through our acceptance of membership in the African Development Bank. We take the step purposefully, and by it we underscore our commitment to African growth.

The United States has always taken a far-sighted view to assist the growth of developing nations. At the Cancún summit in October of '81, the United States laid out a broad-based program of trade, investment, and aid to meet the diverse needs of the developing countries. Last year, we put this approach into practice in our Caribbean Basin Initiative for the developing countries of the Caribbean and Central America. And with this step today, the United States reaches out to its developing-nation partners in Africa.

The United States and the African Development Bank are not new friends by any means. Since '68 the United States has provided technical assistance to the bank

through the Agency of International Development. And since '76 we've channeled part of our development assistance to Africa through the Bank's affiliates—or affiliates, I should say, of the African Development Fund. And now, by opening its membership to the non-African countries, the African Development Bank has given us the opportunity for even closer cooperation. I'm happy to say we accept the invitation and stand ready to do our share.

We're painfully aware that Africa's economic development is encountering difficult obstacles. As the leader in the cause of the progress, the African Development Bank group along with other assistance organizations must strive for a more effective use of the limited development funds. The African governments who carry the heaviest responsibility for their own domestic economy—or economic conditions must pursue a sound, growth-oriented policy if progress is to be made. Far too often, the governments of developing countries undermine their own private sector—one of the essentials for commercial and industrial expansion—only to see the standards of living decline in the countries that do that. If the leaders of Africa's nations recognize the critical role of private enterprise, they can then expect to share in much more of the worldwide economic upturn that we think is now beginning in this country.

Americans recognize both the special development needs and the great potential of Africa. The African Development Bank group symbolizes the determination of Africa and the international community to meet those needs and to achieve that potential. We in the United States are enthusiastic about this partnership as I'm sure the Secretary has told you. And we look forward to seeing tangible results from this cooperative and very special effort.

And now, I am going to sign a letter to the President of the Bank, and I am going to sign our action paper.

[At this point, President Reagan signed the letter and the Executive order.]

There, that makes it absolutely official.

President Mung'Omba. Mr. President of the United States, Mr. Secretary of the Treasury, and the Governor of the African Development Bank, distinguished Senators and Congressmen, Your Excellencies, ladies and gentlemen:

On behalf of the Board of Governors and the Board of Directors of the African Development Bank and on my own behalf, permit me to acknowledge with sincere gratitude the singular honor you have done the Bank and ourselves today in deciding to mark the signing of the formal instruments of accession of the United States to membership of the African Development Bank with this special ceremony.

Mr. President, the ceremony we have just witnessed is significant in many respects. But I think it's most obviously significant in that it marks the clearest commitment of the Government and the people of this great country to the development objectives and aspirations of the African peoples, as collectively expressed in their institutions that form the African Development Bank group.

Mr. President, we have long had clear and consistent proof of the sincerity and sympathy of the United States towards these institutions. Your country's assistance, both in the form of funds and technical assistance to the Bank, has been a reliable and invaluable supplement to the Bank's own efforts for nearly as long as the Bank has been in existence. And this, notwithstanding that for reasons that are now hap-

pily historical, the United States could not at the time be a member of the African Development Bank.

The same history of great care and concern is even more amply evident in the clear leadership position that the United States unreservedly accepted, in terms of both direct contributions and indirect assistance, when it became possible for this country to become a state participant in the African Development Fund a few years after its creation.

Sir, today it marks a further confirmation of the commitment of your people, your government, and we recognize it as an explicit assurance that it is a long-term commitment. And because it's long-term in nature, it further underscores the concern of the people of this country for the plight of the people of Africa, which it is the duty of the institutions of the Bank group to help mitigate.

On behalf of the governing bodies of the Bank, it is my singular honor and pleasant duty to welcome the United States of America to membership of the Bank. You will, Mr. President, have, no doubt, have been informed at least in outline of the long period of internal debate which preceded the decision of our Governors to admit non-African countries to membership of the Bank. In the end, what persuaded them was the consideration that non-African membership could create an opportunity on the continental level and, under their own leadership, for a more extensive dialog and partnership between the two sides in combating Africa's endemic development problems.

Mr. President, it is this opportunity which we in the Bank, with the assistance of countries like yours, have the responsibility to translate into reality. And I am confident, sir, that we will succeed in this endeavor. There can be no doubt that with the material and technical resources that will be made available to the Bank as the result of this day's work, its effectiveness in manning this frontier and pushing it back is significantly enhanced.

Mr. President, your decision to have present at this ceremony such a distinguished and broadly representative selec-

tion of the members of the executive, the legislature, and the business and banking organs of the Nation signifies clearly to all of us how essential is the participation of all these sectors of the Nation before this great adventure in international cooperation can become a true success.

Allow me, sir, to address a word of gratitude to the many concerned friends of Africa in the Senate and Congress, whose consistent support for this program over all these years has today brought our efforts to fruition. Equally, sir, a word of thanks is due to the staffs of both the executive and the legislative, who so tirelessly and patiently assisted us at all stages of our preparations.

Mr. President, I would on this happy oc-

casione go further and take this windfall opportunity, on behalf of my colleagues, myself, the African Development Bank, personally to wish you a belated happy birthday and sincere good wishes for health, success, and God's blessings in your future endeavors.

Sir, on behalf of the Boards of Governors and Directors of the Bank group, accept our most sincere welcome to the African Development Bank and our thanks to you and to the people of your great country.

Thank you.

Note: President Reagan spoke at 1:51 p.m. at the ceremony in the State Dining Room at the White House.

Letter to the President of the African Development Bank on United States Membership in the Organization *February 8, 1983*

Dear Mr. President:

On behalf of the United States of America, it gives me great pleasure to accept membership in the African Development Bank in accordance with Board of Governors resolutions 05-79, 06-79, and 07-79.

In accepting membership, I also wish to inform you of the following:

1. The United States of America has completed all steps necessary in accordance with its laws and is prepared to fulfill all the obligations of membership under the Agreement Establishing the Bank.

2. On January 31, 1983, a duly authorized representative of the United States of America signed the Agreement Establishing the Bank and deposited our instrument of acceptance with the United Nations.

3. The United States of America hereby subscribes to 1,491 shares of the paid-up capital stock of the African Development Bank ("Bank"), and 4,473 shares of the callable capital stock of the Bank (inasmuch as pertinent budgetary appropriations have already been obtained); and subscribes, sub-

ject to obtaining budgetary appropriations, to an additional 5,964 shares of the paid-up capital stock of the Bank and an additional 17,892 shares of the callable capital stock of the Bank in accordance with the provisions of the General Rules Governing Admission of Nonregional Countries to Membership in the Bank.

4. I have nominated Donald T. Regan, Secretary of the Treasury, to be Governor of the Bank and W. Allen Wallis, Under Secretary of State for Economic Affairs, to be Alternate Governor of the Bank. The Senate is now in the process of confirming those nominations. We will notify you when they have been confirmed.

5. Pursuant to Article 40 of the Agreement Establishing the African Development Bank, the United States of America designates the Department of the Treasury for purposes of communication with the Bank on matters connected with the Agreement, and the Federal Reserve Bank of New York as the depository in which the Bank may keep its holdings of the currency of the United States of America or other assets.

6. The United States of America has fulfilled all the legal requirements necessary to make the subscription to the capital stock and to assure that the currency received by the Bank thereunder shall be freely convertible into the currencies of other coun-

tries for the purposes of the Bank's operations.

Sincerely,

RONALD REAGAN

[Mr. Wila Mung'Omba, President, African Development Bank, Abidjan, Ivory Coast]

Executive Order 12403—African Development Bank *February 8, 1983*

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 1 of the International Organizations Immunities Act (22 U.S.C. 288), Reorganization Plan No. 4 of 1965, and the African Development Bank Act (22 U.S.C. 290i), and in order to facilitate United States participation in the African Development Bank, it is hereby ordered as follows:

Section 1. The African Development Bank, in which the United States participates pursuant to Sections 1332–1342 of Public Law 97–35 and the Agreement Establishing the African Development Bank, is hereby designated as a public international organization entitled to enjoy the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act. This designation is not intended to abridge in any respect the privileges and immunities which such organization has acquired or may acquire by treaty or Congressional action. This designation

shall not affect in any way the applicability of Section 1 of Article 52 of the Agreement, Article 57 of such Agreement or the Declaration made by the United States pursuant to Article 64 of the Agreement.

Sec. 2. Executive Order No. 11269, as amended, is further amended by deleting “and African Development Fund” and adding “, African Development Fund, and African Development Bank” in Sections 2(c), 3(d), and 7, respectively.

Sec. 3. The functions vested in the President by Sections 1333(c), 1334, 1338(a), and 1341(b) of Public Law 97–35 (22 U.S.C. 290i–1(c), 290i–2, 290i–6(a), and 290i–9(b)) are delegated to the Secretary of the Treasury.

RONALD REAGAN

The White House,
February 8, 1983.

[*Filed with the Office of the Federal Register, 11 a.m., February 9, 1983*]

Statement by Deputy Press Secretary Speakes on the Deregulation of Natural Gas *February 8, 1983*

The President met today with the Cabinet Council on Natural Resources and Environment to discuss ways to solve problems in the current law governing natural gas while protecting the consumer from the present rapid increase in natural gas prices.

The Council reported on the need to correct certain fundamental flaws in the Natu-

ral Gas Policy Act, which was passed during the previous administration. The Council pointed out that present legislation is not protecting the consumer from rapid price increases and is instead operating to subsidize more expensive imports and uneconomic production of natural gas.

Remarks and a Question-and-Answer Session With Editorial Page Writers on Domestic Issues February 8, 1983

The President. I caught you again. [Laughter]

*Mr. Stockman.*¹ Same answers as yesterday; different questions. [Laughter]

The President. This is the second day in a row I've walked in on him. [Laughter] If you had a tag line, you should have not looked at me. [Laughter]

Please sit down.

I know by now you must all know everything about the budget and all the fiscal affairs. But I wanted to come in for a few minutes, at least, and welcome you to the White House. I know many of you have been here before, but we're always glad to have you back.

We're well aware of the impact an editorial has not only on the folks at home but on some people up on the Hill. An editorial from the hometown paper can very often mean much more than any call from a lobbyist or even a call from the White House.

Economic Recovery

There's a news story I'd like to emphasize today that you've been hearing about, and that is how all the signs that we're now seeing point toward an economic recovery. Or have you two covered that very well? You wouldn't—

Secretary of the Treasury Regan. Go ahead.

The President. I wouldn't be going counter to you if I said that—

Secretary Regan. As long as you say the recovery is here.

The President. Well, that's what I want to make sure you agree on, because that's what I'm going to say. [Laughter]

A lot of attention has been paid to the 1982 inflation rate, but I think even more significant—and everyone seems to have overlooked—is that while it was 3.9 percent for the year, for the last 3 months of 1982 it was running on an annualized basis at 1.1

percent. And I think the fact that it had come down to that and left that other lower average is something that we can focus on as offering a little hope here.

We know, of course, that the unemployment rate went down last Friday. I'm hopeful that one of these days, now that they've changed the method, that they will stick with the changed method instead of giving us two sets of figures. It was only a few months ago that I found out that they were not including the military in the unemployment figures. Well, there's almost 2 million Americans that are fully employed. But what really triggered my reaction was when I found out that when one of them left the service and didn't have a job, he was considered unemployed. But he wasn't considered employed when he had one.

And I'm sure you noticed that the set of figures—this was the first time, January, using them—the set of figures, if you include the military, went from a 10.7 rate, then, of unemployment, to a 10.2. The old-fashioned way, it's still 10.4, down from 10.8.

But there are other figures. And one of the most significant was that actual employment rose by 350,000 in January, which means that businesses are hiring and rehiring workers. We've all seen the announcement of General Motors that it's going to take back more than 21,000 over the next few months of—those were indefinite layoffs. The average work week went up an hour in January, which brought it almost to the full 40-hour figure.

Housing is coming back. Housing starts are up, permits are up, new home sales are up 75 percent since April of last year. Also supporting the recovery idea is the fact that there's been nearly a 12-percent increase in new orders for durable goods. And, of course, as you've probably been told, the leading indicators have been up 8 out of the last 9 months.

Now, if some of you are suspicious that my emphasizing all of this, on top of what

¹David A. Stockman, Director of the Office of Management and Budget.

you've been hearing, is in the hopes that you might take this as the message to take back home, your suspicions are absolutely correct. That's what I had in mind. I'm optimistic. I'm going to do all that I can, all of us here in the administration are, to work with the Congress to make sure this recovery stays on track.

But now, that's enough monolog. I know you've been conducting a dialog so far, and you can continue with that if someone has a question.

Employment Program

Q. Mr. President, I come from Baltimore, which is a city that in the past week has lost 2,300 jobs at Western Electric and about 950 jobs at the Sparrows Point plant of Bethlehem Steel. One of our big concerns is what happens to a steelworker who has been on this job for 25 years and suddenly his job is gone. How do you feel about retraining? How can this country retrain its work force, and in what directions?

The President. Well, we know that there has to be retraining because, as you've probably been told already, part of this unemployment problem is structural. For example, over a 2-year period, when we first came in here, 3 million new people entered the work force for the first time. And the new jobs, because of the recession, were not being created to put those people to work.

There will be changes. I don't know whether—and maybe it has gotten to the point of someone with that much seniority laid off. I was in an automobile plant the other day, as you know, out in St. Louis, and in that plant, those people still employed—the ones with the least seniority were 16 years there, because the layoffs come designated by seniority or lack of it.

But the one job training plan that we've gotten passed, that we introduced and has already been legislated into law, is designed, we think, better than many of the previous programs. First of all, where some of those job training plans only about 18 cents out of every dollar went to actual training, this one, better than 70 cents out of every dollar will go to training.

But we're going to direct that training in cooperation with local officials and business and industrial leaders in the communities to

train people for those jobs that are vacant there in that area. And you all know from your own papers that on any representative Sunday, you have quite a package of help wanted ads. Now, I mentioned that once in a press conference and immediately got challenged that I was indicating that people were lazy and wouldn't go to work. I wasn't doing anything of the kind. We didn't have this job training program in place at the time. And what I was pointing out—or trying to—was that if you read those ads, and I've done so in many of the papers—the last time I was in Los Angeles, there were 45½ pages in the Sunday L.A. Times—but you saw that they called for skills. And here, to me, was the greatest indication of the structural unemployment—that with 12 million unemployed in the country, we could have that many pages of help-wanted ads in an area which was around the national average or above. It indicated that there were job openings, and there must be a lack of people with the training to fill them.

So, we're doing more of this. And in the present budget, we have made proposals about using unemployment funds, in cooperation with the States that have their own unemployment funds, for training, for relocation, and so forth. I think it can be done, but that's the direction we must go instead of giving someone an imitation job temporarily.

Q. Mr. President, there have been some reports in the news recently that you may be leaning toward recommending or endorsing some kind of jobs program. Could you tell us exactly how you feel about this?

The President. The thing that we have talked about and that is, again, provided for already in the budget, is that where there are legitimate—and we got this idea from the gas tax program. And incidentally, for all this talk that I had once said that it would take a palace coup to make me accept the 5-cent gas tax, that was when they were talking about it as just general revenue, a tax increase.

But Drew Lewis, Secretary of Transportation, had come to us over a year ago with a complete report on the state of our highways and bridges in the country and the

desperate need and the almost emergency situation then. At that time, I asked him if he could hang on for a year and come back a year later, which he did. So, that really was a users fee. The gas tax was passed to get this necessary work that needs to be done, get it in work.

Now, what we have said to all of our agencies and departments is that—in the budgets for all of them there are maintenance work, construction, things of that kind that are called for—and what we've said, "Expedite it. Accelerate it. Don't wait if you've got it on schedule some place down the line. It's already in the budget. It won't add anything to the deficit to do it. Go to work on it and start doing it to help in the recovery."

Defense Spending

Q. Mr. President, are you prepared to accept compromise reductions in the \$239 billion defense budget?

The President. No. I think the only political mistake that we've made there with the defense budget is that in the old-fashioned way that has persisted so long in government, where you pad the budget a little bit and then go up on the Hill and let the Congress cut it where you already knew it could be cut—we didn't do that. Under Secretary Weinberger, we've been trying to find the cuts ourselves and where we can promote savings. And so a considerable amount of money was actually found by us when inflation went down faster than we thought, fuel costs and everything going down, management changes that were put into effect.

And from the original 5-year proposal of 1981 that we came in with, we've reduced that about \$41 billion ourselves. Then Congress added another chunk to that in the '83 budget and in this one. When our people up on the Hill said, "If there's any way, anything we can find"—and I must say, Cap was cooperative. There were some things we hated, but I insisted that we stay with—whatever we found must not delay or reduce our effectiveness, our ability to redress the military situation that had been allowed to deteriorate so badly.

And we came up with 11.3 billion. Now, maybe we should have been smart and left

the \$11.3 in and let the Congress find it. But the minute we went up there with that cut in place, then they seemed to think that, "Well, that must mean there's room for more." I think if there was, we would have found it.

Defense and the MX Missile

Q. Mr. President, what would happen if your MX Commission comes out with a recommendation contradictory to Secretary Weinberger's recommendation?

The President. Well, that's the purpose of the Commission. We'll study that and find out what it is they recommend. And I realize that I'm the one that finally has to decide what we'll take up to the Hill as a recommendation to Congress. But I'm hopeful that the Commission can come up with something that will be acceptable but, at the same time, will meet the need for correcting this imbalance that exists.

I must say to all of you that are here, the drumbeat that has gone on consistently about the defense spending and all—all during the campaign this question was thrown at me by audiences every place. I was amazed how many. The American people were aware that something wrong had taken place with regard to our military. I would get the question, "Well, if in trying to balance the budget it comes down to a choice of rebuilding the defenses or balancing the budget, which would you do?" And every single time, I said I would come down on the side of national defense. And I never made that remark to an audience that I did not get—in many cases, a standing ovation—but at any rate, an ovation.

And I think this steady drumbeat and this criticism from up on the Hill has created a false belief among too many people in this country that maybe in 1 or 2 years we've solved the problem. But we've got a long way to go before we really can say that we are able to meet the first, prime responsibility of the National Government, which is to be able to guarantee the safety and security of this nation and our people.

And the truth of the matter is—everyone seems to overlook—that as a percentage of gross national product, the defense spending is a smaller share of that than it has

been at almost any time in the past, except for the preceding few years when it was allowed to deteriorate so badly. And even the outgoing administration had recognized that, because they had submitted a plan for a 5-year buildup of the military. And we, now, are adding only about \$3 billion a year to what their plan was. And frankly, part of that is because they could not have bought, for the money figure they put in, all the things that they had put in as required weapons systems and improvements.

Report on the Massacres in Beirut

Q. Mr. President, we have to ask you about the big news of the day, which is the Israeli commission's report on Sabra and Shatila. There's a recommendation that General Sharon resign, and there may be some change in the Israeli Government. I

imagine you've studied it by now. Do you have any comment?

The President. Well, this is a very easy one. That's a strong democracy over there, and that's an internal problem. And I just don't think that we should be commenting or injecting ourselves into that internal problem.

Ms. Small. Thank you, Mr. President.

Note: The President joined Mr. Stockman and Secretary of the Treasury Donald T. Regan at 1 p.m. in the Roosevelt Room, where they had been meeting with the editorial page writers.

Karna Small Stringer is Deputy Assistant to the President and Director of Media Relations and Planning.

The transcript was released by the Office of the Press Secretary on February 9.

Message to the Congress Transmitting the Annual Report of the United States Arms Control and Disarmament Agency February 9, 1983

To the Congress of the United States:

I am pleased to transmit to you the 1982 Annual Report of the United States Arms Control and Disarmament Agency. This report, the 22nd submitted since the creation of the agency, provides a complete review of the important work of an Agency which plays a crucial role in our country's national security program.

On September 21, 1982, I met at the White House with the three U.S. arms control negotiators, Ambassadors Rowny, Nitze, and Staar before they returned to Europe for the final 1982 sessions of the START, INF, and MBFR negotiations, respectively. At that time, I outlined the following general principles which guide the formation of our arms control policies:

—Arms control must be an instrument of, and not a substitute for, a coherent security policy aimed in the first instance at the Soviet advantage in the most destabilizing class of weapons—ballistic missiles and, especially, intercontinental ballistic missiles (ICBMs). We will work for agreements that

truly enhance security by reinforcing peace through deterrence.

—We must seek agreements that involve substantial and militarily significant reductions on both sides.

—Agreements must be based on the principle of equality of rights and limits.

—Arms control agreements must include effective means of verification. They cannot be based on trust alone.

—Our efforts will be guided by seriousness of purpose, reflected in our willingness to seek reduction to significantly lower levels of nuclear forces based on equal, balanced levels of comparable systems.

These principles are in full accord with the basic purpose of both U.S. and NATO security policy—ensuring the peace through deterrence of aggression. Deterring nuclear or conventional attack against us or our Allies must guide our approach to defense and arms control. These principles also lie at the heart of the comprehensive and innovative arms control approaches which this Administration has adopted. In each of the

three most important areas of arms control—strategic nuclear arms, intermediate-range nuclear forces, and conventional forces in Europe—we have presented to the Soviet Union bold and equitable proposals which are in our mutual interest and which provide an opportunity to enhance world security and peace by significantly reducing the arsenals of both sides.

In each of these three negotiations, the United States has presented considered and equitable proposals which seek to establish a military equilibrium at reduced levels, eliminate the most destabilizing factors in the existing military balance, and enhance the security of both sides. When our national security, and that of our Allies, is at stake, we must approach arms control realistically. We do not seek agreements for their own sake; we seek them to build international security and stability. This Administration's reductions proposals for strategic and intermediate-range nuclear forces and for conventional forces reflect this approach. We are encouraged by the serious and business-

like conduct of these negotiations thus far. Although much hard bargaining lies ahead, I am determined to bargain in good faith until our objectives can be realized. We urge our Soviet negotiating partners equal seriousness of purpose.

The 1982 Annual Report not only includes details on all aspects of the three negotiations, but also refers to such other important elements of ACDA's responsibilities as providing expertise on both policy and technical levels for all other multilateral arms control negotiations, for our nuclear non-proliferation efforts, and for research and analysis of military budgets and arms transfers.

RONALD REAGAN

The White House,
February 9, 1983.

Note: The report is entitled "U.S. Arms Control and Disarmament Agency—1982 Annual Report" (Government Printing Office, 133 pages).

Message to the Congress Transmitting the United States-Republic of Korea Fishery Agreement *February 9, 1983*

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801), I transmit herewith a governing international fishery agreement between the United States and the Republic of Korea, signed at Washington on July 26, 1982.

This agreement is one of a series to be

renegotiated in accordance with that legislation to replace existing bilateral fishery agreements. I urge that the Congress give favorable consideration to this agreement at an early date.

RONALD REAGAN

The White House,
February 9, 1983.

Nomination of Bernard A. Maguire To Be an Associate Director of the Federal Emergency Management Agency *February 9, 1983*

The President today announced his intention to nominate Bernard A. Maguire to be

an Associate Director of the Federal Emergency Management Agency (National Pre-

paredness Programs Directorate). He would succeed Gloria Cusumano Jimenez.

He is currently serving as president of the VPA Corp., a consulting firm for the nuclear utility industry. He was project manager for Tera Corp. in 1978–1982; program manager for Ramco, Inc., in 1977–1978; product manager for Deltech Engineering, Inc., in 1976–1977; and interna-

tional project manager, generation systems division, Westinghouse Electric Corp., in 1969–1976.

He graduated from the United States Naval Academy (B.S., 1964) and the University of Pittsburgh (M.B.A., 1970). He was born September 12, 1942, in Philadelphia, Pa.

Remarks and a Question-and-Answer Session With Regional Editors and Broadcasters on Domestic and Foreign Policy Issues *February 9, 1983*

The President. Gee, Karna,¹ all of these cameras are on my bad side. [*Laughter*] Well, it's wonderful to have you all here today. And although I greatly enjoy the back and forth with the White House press correspondents, I do look forward to speaking with some of you who've managed to permanently escape the snares and traps of life in Washington.

Being in the business you're in, I know that you're aware that after 2 years of back-to-back double-digit inflation, we've brought it down to 3.9 percent for 1982. You might not know that for the last 3 months of '82—and this is significant, I think; it certainly is in my mind—inflation was running at an annualized rate of 1.1 percent. Now, this has made an enormous impact on real wages. For the first time in 3 years, they increased by 1.8 percent in 1982 and, in the last 3 months of the year, at a 3½-percent annual rate. Interest rates have dropped significantly from—the prime rate is down nearly 50 percent.

And in December the economic indicators, the index, was a full 6.2 percent above last March's low point. Housing starts are also up by 45 percent during the last quarter. The new homes sales have grown 75 percent since April of last year. Housing permits are up 75 percent—or 61 percent, I'm sorry. And the inventories of unsold

homes are now at the lowest levels in more than a decade.

Auto production, in this quarter, is scheduled to increase 22 percent over last quarter. And General Motors alone is recalling some 21,400 workers. The sharp decline in unemployment last month, which is usually the last indicator to show any upturn out of a recession, was the most heartening sign of all.

We still have a long way to go, but we've turned the corner and are moving forward. And I'm proud of one thing. We didn't panic when we hit the heavy weather and go for the fast bromides and quick fixes, the huge tax increases or wage or price controls that were recommended by a number of people. I think our stubbornness—if you want to call it that—will quite literally pay off for every American in the years ahead.

The second issue I want to mention is defense spending. And I won't launch into another statistical report and tell you this year that defense spending is only 26.7 percent of the Federal budget. I won't even tell you that the Soviets are still outspending us by devoting 13 to 14 percent of the gross national product to defense while we're devoting 6.7 percent of ours—only about half the rate. I could tell you about the strides we've made at the Pentagon under Cap Weinberger's superb leadership.

During the 6 months ending September 30th, 1982, the end of the fiscal year, the Department of Defense auditors had identified more than a billion dollars in potential

¹ Karna Small Stringer, Deputy Assistant to the President and Director of Media Relations and Planning.

savings on waste and fraud and from management efficiencies. Over the next 5 years, through multiyear procurement and other acquisition initiatives, we'll save over an additional \$15 billion. That's more than the entire budget for the Department of Housing and Urban Development.

Thirty-two percent more of active duty units are combat ready, and reenlistment rate is up at 68 percent. That's the highest since 1964. But you know, our progress in that goes far beyond statistics, beyond bombs and rockets and budgets and bureaucrats. The real issue is the security of the United States and the American people—our willingness to bear the burden that comes with freedom.

We have begun to correct a decade of neglecting America's defensive needs, but we've only begun. President Kennedy once said that there was no discount on defense. He was right, and I think the American people knew that he was right. The defense issue is one of the most potent in American politics. And time after time, the American people, when given the facts, have made it clear that they support a strong defense program.

They've never had patience with politicians who want to have a fire sale on national security or a bargain basement military. But right now, they've had a drumbeat of criticism based on false charges. Defense spending is not the cause of our economic problems, and without it, we'd have no chance of negotiating on arms reductions and getting an agreement with the Soviet Union in that field.

And that's all I'm going to talk about now, because I know you'll have some questions.

Representative Phil Gramm

Q. Mr. President, I'm Frank May from Bryan, Texas, and we're having a special congressional election involving one of the chief architects of your economic program down there Saturday. My question is, do you see that election as a referendum on Reaganomics, and how do you view the outcome? How will it affect getting your budget proposals through Congress, win or lose?

The President. Well, I think it would have

an effect either way. I recognize, though, that it may be portrayed as being a referendum on some policy of government. On the other hand, there are some other issues in there. Here is a man who had the courage to—he could have just changed parties and stayed in the Congress. But he said, no, he had run and won as a member of the Democrat Party, and he felt that it was only fair that he go back and give them a chance, now knowing that he has switched parties.

I admire his courage very much, his principle. And I admire very much his mind, because he was an outstanding help to us in getting our economic program started. So, obviously, I've got a great interest in how he does down there. And I'm going to watch him with great interest.

Yes. I'm sure that it would be taken as a referendum in some ways by many people—if he's turned away.

Defense Spending

Q. Don Mulford of the Montclair Times, sir. Do you feel that "The Winds of War" is helping you keep the defense budget from being cut? [*Laughter*]

The President. You know, I asked somebody the other day—having looked at a couple of installments of that myself—I said, "Do you suppose that this could be a help to us"—[*laughter*]"—because it reminds us of how blind so much of the world was to the threat that many years ago?" And, of course, how much of it is—it's more than half the population of our country today was born after the World War II. So, it's kind of like the Civil War must have been when I was born. [*Laughter*]

Oil Production; Agriculture

Q. Mr. President, we've discussed the problems of the cities. We've heard a great deal about that. But there are some problems in, primarily, agricultural and energy producing States—Oklahoma being one of them—a combination of wheat farmers going bankrupt and very concerned, an oil industry that is staggering right now under not only windfall profits taxes but a new excise tax being proposed—a per-barrel price of what I understand now is \$7 a

barrel. They're worried about incentives to produce. Why should they buy it?

The President. Well, we hope they'll keep on producing. I remember that when I first proposed decontrolling oil—getting rid of the government controls—voices were raised saying that the price of gasoline would go to \$2. Well, I've always believed in the marketplace, and this confirmed it, because the price of oil has gone down. I think that, maybe, the marketplace is still going to take care of it.

I never was in support of the windfall profits tax. This new proposal, I think, if you look at it fairly, is a tax that I hope would never be put into effect—that or the surtax. What we did was propose a tax that would only be implemented under certain conditions. And one of the primary considerations was only if the Congress had joined in continuing to reduce Federal spending and get the cost of government down. And if they haven't adopted those proposals and done that, then this tax bill would never go into effect. There were some other things, also, that we still have. We had to be definitely out of recession, and the deficit had to be a certain percentage of the gross national product.

With regard to the farmer, we're doing a number of things and working on this very much. The farmer is truly a victim of the cost-price squeeze. And the farmer is one who, many times, borrows to plant, and through harvest, and then pays back. And with the high interest rates, they have been really caught in a trap. And when the price of their product went down—so, we're doing everything from working on promoting international markets, more export for them to meeting some of their problems, and some of the problems of soil conservation.

We have a plan that we've proposed, also—and many farmers are most supportive of it—and that is, rather than cash helping in their problems, using that great surplus that the Government owns and that is stored in Government surplus, but which, hanging over the market, has a tendency to depress prices just psychologically by virtue of its being there. And we're talking about a trade in kind, that a farmer who leaves idle some of his land in the interest of soil

conservation, we'll give him the amount of crop that he would have raised out of that surplus. Maybe we can get rid of that surplus.

I'm going to have to move out there a ways.

1984 Presidential Campaign

Q. Mr. President, last night Mr. Meese² said in Cambridge—I'm Joe Davis of Boston, Massachusetts—and last night Mr. Meese said in Cambridge that, he indicated that he thought you probably would run again. Do you care to share with us your thoughts on that particular subject?

The President. Well, I think that it's, first of all, it is too early for anyone in this position to make a decision on that. So, my answer has always been if you state too early you're, one way you're a lameduck, and if you state too early the other way, then everything you try to do is viewed as being politically inspired. And so, my safest answer is I will let the people determine whether I should run again or not.

Volunteer Programs

Q. Mr. President, Mort Crim of the Post-Newsweek stations in Detroit. Some of our autoworkers in West Germany have taken pity on the unemployed autoworkers in Detroit, and they're sending food parcels to them. And they've discovered that it's not practical, because the cost of transportation is worth more than the food. They have further proposed that U.S. military aircraft be used to airlift some of these supplies, sort of a reverse Marshall plan.

Would you be willing to authorize the shipment of these donated goods to Americans, to Detroiters in particular, on military aircraft? And if you do accept that plan, would it be a recognition that we need a Marshall plan?

The President. Well, I don't think we need a Marshall plan that we cannot provide. We provided the first Marshall plan; I think we can provide the second.

I had heard about this situation and have not had an opportunity yet to speak to Sec-

² *Edwin Meese III, Counsellor to the President.*

retary Weinberger about it. I think it would have to be—if it were done—and I would have no quarrel with that—I would think it would have to be in planes that were making regular runs, because we could just simply add to our deficit at a greater cost than, again, the food would be worth—

Q. But that was the proposal.

The President. —if we were to set up a regular transportation line, because those planes don't fly for nothing.

No, but something that we were speaking about here earlier—and I would like to pass this on to any and all of you for your communities—we've had for a year a task force of citizen volunteers, called the Private Initiative Task Force, that was out finding out what the people can do at a volunteer level, at the people level, to help with many of the problems that we have. And they've concluded a year's work, and we now have a computer-manning staff here in the White House, a computerized program that contains more than 2,500 programs that arrange everything from things of this kind, providing food to the needy to intercepting and heading off dropouts in school, every kind of program that you could imagine—some of them totally volunteer, some of them combination of volunteer in connection with public officials through grant programs—2,500 or more of them with the names, the communities where they're successful, the names and the phone numbers of the people who manage them. And for anyone in their communities and for you who are in the business you're in of communications, to put people in touch with this, to find out how someone else is solving a very real problem that you have in your community—I highly recommend it, because out of all of this problem that we have, it is amazing the ingenuity of the American people, the willingness, and their ability to come together and solve many of these problems.

Incidentally, in connection with this need and whether the Air Force could or not, I want you all to know also that the problem—another one that we happen to be talking around the table here, of the people with no shelter, that are on our streets now, our military is already checking on military installations for barracks space that can be

made available for shelter for those people.

Views on the Presidency

Q. Mr. President, Ed Lecius from Nashua, New Hampshire. We've been reading in the Union Leader in recent weeks and hearing from our senior Senator Gordon Humphrey, that they feel that you're moving away from the policies and principles that got you elected. How would you react to those statements by them?

The President. Well, I had a fine conversation with Nackey Loeb recently. We ran across each other when I was in Boston. And I know that it can look that way.

I'm not retreating an inch from where I was. But I also recognize this: There are some people who would have you so stand on principle that if you don't get all that you've asked for from the legislature, why, you jump off the cliff with the flag flying.

I have always figured that a half a loaf is better than none, and I know that in the democratic process you're not going to always get everything you want. So, I think what they've misread is times in which I have compromised—for example, our entire economic program.

I proposed three 10-percent-a-year cuts in the income tax, retroactive to January 1st, 1981. There was no way I could get that with the House of Representatives dominated by the other party. So, I settled for a 5-percent cut the first year, not retroactive but on October 30—or on October 1st, the beginning of the fiscal year; then two following 10-percent cuts. Well, I think 25 percent, a little delayed in starting, was better than going down fighting and not getting anything at all.

And I wish that I could get more people to realize, no, I have not retreated from what was our original purpose. I am very stubborn in that regard. And I'm just going to have to try and communicate better, and make people realize that, you know, I come back and I ask for more the next time around.

Q. Mr. President?

The President. Excuse me. I'll take the lady, and then I'll come back to you.

Employment Programs

Q. Thank you. I'm Chris Wagner from WPVI in Philadelphia. You were just talking about compromise and not getting everything that you want. It seems that both sides of the fence in Congress now are really pushing for some type of jobs bill that goes beyond what you have already proposed. In which areas are you willing to compromise now? And when can we expect to hear a compromise proposal from you?

The President. Well, some of the things that have been proposed are the type of job bills that we've used in the seven other recessions that took place after World War II up until now. They were make-work job programs; they were temporary; and they increased the deficit spending. They set back the economic recovery. And no one paid any attention to the people who lost jobs over here in the private sector as this money was moved over here to create jobs.

We disagree with that. But what we do have in our budget already—and we are working together for a bipartisan approach to this—is that we are looking at all the agencies and departments of government that have already built into the budget programs of construction, of maintenance, of upkeep, and so forth that they need—and with the idea of accelerating those and, wherever they have them scheduled, doing them now.

But we also have in the budget, and we have passed, job training. And we have some approaches to working with the States in their own unemployment insurance to see if this cannot be utilized not just as insurance payments or benefit payments but utilized to further job training and even for relocation from people for where there are no jobs to other places where their skills might be desirable.

All told, we've got \$93 billion in the proposed budget for the needy and for the help to the unemployed. And we have a program that is several billion dollars already—that I think when they have time to study it, that it is dealing at work. But it won't be make-work. It'll be legitimate work such as the highway program, the 5-cent gas tax for that. And to all of those of you who said that I had stood in a press

conference and said I would only give in to a gas tax if there was a palace coup, at that time I was talking, the gas tax had been proposed as a contribution to general revenues.

But more than a year ago, the Secretary of Transportation had brought us a report on the state of the highways and the bridges in our country and the very risk of—it was almost an emergency situation. And I asked him then if he would come back a year later with it, because of our economic problems. He did. And that's why the present gas tax is devoted completely to the repair and the building of those bridges and so forth. And is already taking an effect in employment in the various States for construction.

Q. Can I just follow up on that a little bit? So, you're saying that the compromise part—the new part then in which you will work with Congress—will be speeding up, accelerating construction programs that were in the works for later on down the road?

The President. That's principally it. Yes.

Q. When will the specifics of that be spelled out?

The President. Well, that's pretty hard for a President to say, once something gets up on Capitol Hill. But our people are in contact with them and talking about it.

The Middle East

Q. Roger Sharpe with WABC in New York. Earlier this week, you voiced some criticism or at least frustration over the Israeli attitude on the discussions with the pullout in Lebanon. Do you think the report now from the judicial commission on the massacres in Beirut will help speed up this process, or do you think it'll further complicate it?

The President. Well, I'm really afraid to comment on that either way. That's a strong democracy. It's an internal matter. And I think we stand back and keep hands off of an internal matter of that kind.

We sent Phil Habib³ back with further

³ *President's Special Representative for the Middle East.*

recommendations in the plan that we had originally proposed. We hope that we can accelerate the withdrawal not just of the Israelis but of all the foreign forces—the Syrians and the remnants of the PLO that are still there—because we believe it essential to the overall peace plan that I proposed—must be the reestablishment of a government in Lebanon that will be sovereign over its own territory. And that can't happen, and we can't get the cooperation we need from all parties until everyone withdraws to their own borders. And we're going to continue along that plank.

Can I take just a couple more?

Ms. Small. One more, Mr. President?

Social Programs

Q. Mr. President, Liz Walker from Westinghouse in Boston. First of all, I bring you greeting from the Eire Pub. [*Laughter*] Their economic future has been brightened with your visit. [*Laughter*]

I've heard a lot of numbers this morning, and I'm trying to put that on human terms, especially with some of your budget proposals' cuts. For instance, about a quarter of a million meals would be cut from the elderly meals program. And I'd like to, on human terms, be able to tell those people, those 50,000 elderly in the Bay State, what that's going to mean or what they can do to sustain themselves, having lost a quarter of a million meals with your proposal in the budget.

The President. I can only tell you that the only cuts that we've proposed are cuts that are aimed at eligibility that ensures that what we're doing is going to people who require the help. Many of our programs—the eligibility requirements that have gone on over the years have been weakened or loosened, or administrative practices have been such that we found that we're helping people that really are not eligible for that help.

We are providing in the budget that we've submitted—we will be providing 95 million meals a day in this country. Now, some people I've seen have suddenly seized upon a figure that has to do with school lunches, and they've said, "Ah, there's a reduction in the number of school lunches." Yes, there is, because for one thing there's a

reduction in the number of children in school. That has fluctuated. Maybe the baby boom is over, but suddenly their enrollment has dropped. So, there is that need.

We also have eliminated from school food programs a number of rather exclusive, high-priced schools in which there's no question about the ability of the parents of the students in those schools to provide for them. And between those two and between ensuring that the eligibility rule either reduces the food support for students from families with incomes that are above a level where they should not be getting help from their fellow taxpayers, we haven't harmed anyone who has real need. They'll all be provided for.

And, as I say, 95 million meals a day—I've noticed that in the criticism that we have—with regard to food stamps, there are more people provided for in our budget than have ever received food stamps before. The amount of money being spent on food stamps is greater, but what we have cut is a projected increase that was based again on standards and eligibility. For example, we have already uncovered over a billion dollars in error and fraud in food stamps, and we don't think that the people that are paying for the food stamps should be helping those who are fraudulently using food stamps.

The safety net is intact and is providing for those people that have real need.

Q. Mr. President?

The President. What? I've got to—

Q. One more?

The President. All right. I know, I'm supposed to—

Federalism

Q. Tim Weigel from Chicago—and I apologize. My question is, we read so many studies about how tax dollars leave the Midwest and the Northeast. They go to Washington, and then they distribute it to California, Florida, Texas, for defense spending. What can we do to make defense spending more equitable for the entire country and to turn off the outflow of dollars from the Midwest to the Northeast and just make it a little bit fairer for everybody, or more fair?

The President. In this regard, the Govern-

ment is a customer, and the first requirement is to give the contracts where the product is being made and where you can get the best buy for the money invested. So, national defense has to be the first priority.

We have and do make efforts where there are items in contracting that can be spread more in the civilian nature—not particularly weaponry—we have made efforts to aim at the economically distressed areas to spread that more evenly. But, for example, if you're going to build warships, you have to go where the shipyards are. If you're going to build airplanes, you have to go where the airplane companies are. But since the target is the security of the entire Nation, it's only fair that the entire Nation pays for it.

We could say the same thing, couldn't we, about private industry, that certain States have almost a monopoly on a particular industry that services the whole country, and so the people in all those other States—but then by the same token, the people in those other States make things and grow things that are sold nationwide. And we've never had in our country a kind of a—making State borderlines like national lines with tariffs and so forth.

I feel that what probably is more irritating to some than whether the money goes back for something the Government must buy, as any customer has to buy something—and we go where it can be sold—is the truth that in many of the Government programs, practically all of them, it is true that there are a number of States in the Union that are considered the rich States, and the amount of tax money that they provide to Washington, when it is redistributed in programs, is redistributed to other States that are not paying proportionately the same share. And it's based on the idea that some of those other States have greater need. This is one, though, that I think should constantly be watched, that a little cluster of States, industrial States, for example, don't wind up supporting the people in others.

My criticism of many Federal programs over the years has been—and we're trying to correct this—has been that when suddenly the Federal Government says, "We're the only ones that can have a program of

aid to rapid transit," well, then you find since 75 percent of the people live in cities and the cities are where they have the rapid transit, so that 75 percent of the people are paying the taxes and couldn't they be much more efficient and do it better if they taxed themselves at the local level, because if the people in Chicago are being taxed to help Metro in Washington, D.C., or rapid transit in New York, but the people in New York are being taxed also for the rapid transit program to help the people in Washington and in Chicago. And maybe if the Federal Government would just get out of the way and say, "Look, we'll give up the tax source, and you just do what you want to do for your own problem here at home," because the Federal Government has a larger carrying charge than most local and State governments have.

And I think that there's a lot of room, and these are some of the controversial things we've been trying to do. And we're sending our missionaries up on the Hill as often as we can to convince them that it'd make more sense if local governments—and, incidentally, we haven't done enough to tell you how far we have gone with our federalism program and how much we have realtered the whole structure of government in turning back to States and local communities functions they can perform better than the Federal Government can perform for them.

Now, I know that I have to go and I know there—

Ms. Small. Thank you, Mr. President.

The President. That's got to be the last one, and then I'll go. All right.

Minimum Wage

Q. Jane Waldman, Boston, Massachusetts. You proposed the subminimum wage for teenagers to reduce unemployment. Can you explain how this will reduce youth joblessness while not increasing adult joblessness?

The President. Now, wait a minute. You're talking about—

Q. Subminimum wage for teenagers.

The President. A second minimum wage, a different minimum wage for them.

Q. That's right.

The President. Yes, the figures of the minimum wage that we have seen going back to its very beginning and then every increase that went on—you can look back at that, and the line on the chart of unemployment for teenagers, or young people, goes right along, increasing with the increase in the minimum wage. In other words, young people basically do not have a job skill. They're entering the job market for some job that the employer can afford to hire an unskilled person for and teach them whatever needs to be taught. But many of those jobs are jobs that if you make them too expensive, the employer does without the job being filled.

And I have believed for many years, and my experience as Governor and working with youth groups on this, that the minimum wage, which is really based in mind of the mature employee, the person with some job skills and so forth, this never should have been applied to young people that are going to school, that are looking for summer jobs, that are looking for after-school jobs, and so forth. And I think that the best thing that we can do—I know that it would be this, again, your question about am I retreating, I know it'd be hopeless to ask to eliminate that for such young people. That would be the right thing to do.

I can take you way back before there was such a thing—when I got my first summer job. It was with a construction gang that was remodeling old homes and reselling them. And before the summer was over, I ended up laying hardwood floors, shingling roof, painting—did everything but electrical and plumbing. And there weren't any government programs that made the employer have to hire an auditor and deduct from my paycheck for social security or other programs of that kind. He could just reach in his pocket every week at the end of the week and count out what he owed me and hand it to me in cash.

And I wouldn't give up that experience I had for anything in the world. And I think that young people today are in that same

situation and would like to do that. But today it's not only the minimum wage, but with all the many useful social reforms that we've put in, of unemployment insurance and social security and other things of that kind, we have made the wedge for the employer. The difference between what the employee actually gets and what it costs the employer to hire him is so big that he just can't afford to take those young people on.

With regard—I know I mentioned the untouchable: social security. But I remember when I was doing the "G.E. Theater," and they one day wanted our 3-year-old daughter to be in a commercial. Now, she wasn't starting to make television a career at 3 years of age. I don't think she was ever going to have a job again for many, many years. But I thought she was cute, and I thought if they want to photograph her and put her on TV, I'd like to see that, too. So, I spent 4 hours downtown with my 3-year-old getting her signed up for social security. [*Laughter*] She was going to get the minimum, the Guild minimum for doing the commercial, which I think then was \$50. But she was signed up. And that was all deducted and so forth.

But—well, I know that I've taken—and I can't get to all the hands that are here, and it's very heartbreaking. I wish I could. I'll tell you, those of you who didn't get your questions asked, if you'll write them down and leave them with Karna and your name and address—[*laughter*]—I guarantee you, I will answer them in writing and send you the answers in writing.

And I thank you all very much again for being here. It's been a wonderful experience, and I hope we see each other again soon. All right. Thank you.

Note: The President spoke at 1:02 p.m. in the State Dining Room at the White House. The editors and broadcasters were at the White House for briefings by administration officials on the fiscal year 1984 budget and administration programs.

Nomination of James R. Bullington To Be United States Ambassador to Burundi

February 9, 1983

The President today announced his intention to nominate James R. Bullington, a career member of the Senior Foreign Service, Class of Counselor, as Ambassador to the Republic of Burundi. He would succeed Frances D. Cook, who is being reassigned in the Foreign Service.

In 1962 Mr. Bullington entered the Foreign Service and was assistant desk officer for Central Treaty Organization Affairs in the Department in 1963–1965. He was vice consul in Hué (1965–1966), staff aide to the Ambassador in Saigon (1966–1967), and deputy province senior adviser in Quang Tri Province, Vietnam (1967–1968). He attended Harvard University in 1968–1969. In the Department he was intelligence analyst in the Bureau of Intelligence and Research (1969–1970) and attended Thai language training at the Foreign Service Insti-

tute (1970–1971). From 1971 to 1973, he was vice consul in Chaing Mai, Thailand. In the Department he was political officer in the Vietnam Working Group in 1973–1975. He was consul in Mandalay, Burma (1975–1976), and political and economic counselor in Rangoon (1976–1978). He attended the Army War College in 1978–1979. He was Deputy Chief of Mission in N'Djamena (1979–1980) and in Cotonou (1980–1982). In 1982 he was senior adviser for African affairs to the United States Delegation to the United Nations General Assembly in New York City.

Mr. Bullington graduated from Auburn University (A.B., 1962) and Harvard University (M.P.A., 1969). His foreign languages are French and Thai. He was born October 27, 1940, in Chattanooga, Tenn.

Nomination of John J. Franke, Jr., To Be an Assistant Secretary of Agriculture

February 10, 1983

The President today announced his intention to nominate John J. Franke, Jr., to be an Assistant Secretary of Agriculture (Administration). This is a new position.

Mr. Franke is currently serving as Deputy Assistant Secretary for Administration at the U.S. Department of Agriculture. He was Regional Administrator (Region VII) for the Environmental Protection Agency in 1981–

1982; commissioner for Johnson County, Kans., in 1973–1981; mayor for the city of Merriam, Kans., in 1971–1972; and councilman for the city of Merriam in 1965–1970.

He attended the University of Kansas. He served in the United States Marine Corps in 1948–1952. He is married, has three children, and resides in Merriam, Kans. He was born June 28, 1930, in Tonkawa, Okla.

Reappointment of Joel Edward Haggard as United States Representative on the Columbia River Interstate Compact *February 10, 1983*

The President today announced his reappointment of Joel Edward Haggard as the United States Representative on the Columbia River Interstate Compact. He has been serving on the Compact since 1975.

Mr. Haggard has been a partner in the law firm of Haggard, Tousley & Brian in Seattle, Wash., since 1978. He was the sole practitioner of the firm in 1977. He was with the law firm of Houghton, Cluck, Coughlin & Riley, in Seattle, in 1971–1976; engineer and management consultant with

the King County Department of Public Works in 1969–1971; and research engineer for the Boeing Company, aerospace division, in 1968.

He graduated from the University of Notre Dame (B.S., 1961), the University of Oklahoma (M.S., 1963), and the University of Washington (J.D., 1971). He is married, has two children, and resides in Seattle, Wash. He was born October 10, 1939, in Portland, Oreg.

Proclamation 5020—Save Your Vision Week, 1983 *February 10, 1983*

*By the President of the United States
of America*

A Proclamation

Good vision is a priceless gift. Yet each year many Americans needlessly lose vision as a result of diseases and accidents whose sight-destroying effects could have been prevented.

Regular eye examinations by an eyecare professional can often avert the tragedy of visual loss. While a checkup will usually show that our eyes are healthy, we may also receive early warning of a serious eye disease requiring treatment. Diabetic eye disease, for example, is a leading cause of visual impairment. Through examination it can be detected and treated. If all diabetics were aware of the need for routine eye checkups, many more cases of blindness could be avoided.

The elderly and the young have a special need for periodic eye examinations. A number of blinding diseases strike more often in later years. With early warning of eye disease and proper treatment, older people could be spared visual handicaps which threaten their independence and limit their enjoyment of life. For children, a

routine checkup may reveal an eye problem that can hamper the child in school or at play. Some disorders must be treated during childhood or permanent visual loss will result.

Accidents are a common cause of vision loss or impairment. Tragically, many accidents could have been avoided by the use of such simple precautions as wearing safety glasses, goggles, or face shields while involved in hazardous work or sporting activities.

We can help others in our community to prevent or overcome visual impairment by supporting organizations committed to sight conservation. These organizations campaign for eye safety and the use of protective eye wear in sports and on the job. They provide aids and professional low vision services to improve the quality of life for those who are vision impaired, and they encourage us to donate our eyes after death for biomedical research and for sight-restoring corneal transplant surgery.

To encourage Americans to safeguard their eyesight and reduce the national toll of visual disability, the Congress, by joint resolution approved December 30, 1963 (77 Stat. 629, 36 U.S.C. 169a), has requested the

President to proclaim the first week in March of each year as Save Your Vision Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning March 6, 1983, as Save Your Vision Week. I urge all citizens to join in this observance by taking steps to preserve vision and prevent eye injury at home, at work, and at play. I call upon eyecare professionals, the media, educators, and all individuals and public and private organizations concerned with sight conservation to unite in activities that will foster concern for eye care and

eye safety among Americans of all ages. I also urge their support of programs to improve and protect the vision of all Americans.

In Witness Whereof, I have hereunto set my hand this 10th day of Feb, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:37 p.m., February 10, 1983]

Executive Order 12404—Charitable Fund-Raising *February 10, 1983*

By the authority vested in me as President by the Constitution of the United States of America, and in order to lessen the burdens of government and of local communities in meeting needs of human health and welfare, it is hereby ordered as follows:

Section 1. Executive Order No. 12353 of March 23, 1982, is amended as follows:

(a) By deleting Section 1 of that Order and inserting in its place the following provision:

“Section 1. The Director of the Office of Personnel Management shall make arrangements for voluntary health and welfare agencies to solicit contributions from Federal employees and members of the uniformed services at their places of employment or duty. These arrangements shall take the form of an annual Combined Federal Campaign in which eligible voluntary agencies are authorized to take part.”

(b) In Section 2 insert “(a)” after the Section number and add the following new subsection after the existing provision:

“(b) In establishing those criteria, the Director shall be guided by the following principles and policies:

“(1) The objectives of the Combined Federal Campaign are to lessen the burdens of government and of local communities in meeting needs of human health and wel-

fare; to provide a convenient channel through which Federal public servants may contribute to these efforts; to minimize or eliminate disruption of the Federal workplace and costs to Federal taxpayers that such fund-raising may entail; and to avoid the reality and appearance of the use of Federal resources in aid of fund-raising for political activity or advocacy of public policy, lobbying, or philanthropy of any kind that does not directly serve needs of human health and welfare.

“(2) To meet these objectives, eligibility for participation in the Combined Federal Campaign shall be limited to voluntary, charitable, health and welfare agencies that provide or support direct health and welfare services to individuals or their families. Such direct health and welfare services must be available to Federal employees in the local campaign solicitation area, unless they are rendered to needy persons overseas. Such services must directly benefit human beings, whether children, youth, adults, the aged, the ill and infirm, or the mentally or physically handicapped. Such services must consist of care, research or education in the fields of human health or social adjustment and rehabilitation; relief of victims of natural disasters and other emergencies; or assistance to those who are

impoverished and therefore in need of food, shelter, clothing, education, and basic human welfare services.

“(3) Agencies that seek to influence the outcomes of elections or the determination of public policy through political activity or advocacy, lobbying, or litigation on behalf of parties other than themselves shall not be deemed charitable health and welfare agencies and shall not be eligible to participate in the Combined Federal Campaign.

“(4) International organizations that provide health and welfare services overseas, and that meet the eligibility criteria except for the local services criterion, shall be eligible to participate in each local solicitation area of the Combined Federal Campaign.

“(5) Local voluntary, charitable, health and welfare agencies that are not affiliated

with a national agency or federation but that satisfy the eligibility criteria set forth in this Order and by the Director, shall be permitted to participate in the Combined Federal Campaign in the local solicitation areas in which they provide or support direct health and welfare services.”.

Sec. 2. All rules, regulations, and directives continued or issued under Executive Order No. 12353 shall continue in full force and effect until revoked or modified under the provisions of this Order.

RONALD REAGAN

The White House,
February 10, 1983.

[Filed with the Office of the Federal Register, 10:56 a.m., February 11, 1983]

Statement on the Vice President's Trip to Europe and the Secretary of State's Trip to the Far East *February 11, 1983*

It was a pleasure for me today to welcome home Vice President Bush and Secretary of State Shultz, who have just completed important diplomatic missions in Europe and Asia. Both men accomplished their missions with calmness, competence, and strength—and helped to reaffirm our country's commitment to peace.

The Vice President and the Secretary of State briefed me and my national security advisers today on the details of their trips. Clearly their journeys have reinforced American policy and have set the stage for added progress in the future in two areas of the world enormously important to our country and our people.

Vice President Bush went to Europe first and foremost to listen. His trip illustrated that NATO—in contrast to the Warsaw pact—is a voluntary alliance of free people based on consultation and consensus.

The Vice President also carried a message from me that was simple and clear. First, he emphasized that our zero-zero intermediate-range nuclear forces proposal is a serious one that would represent a real break-

through in arms control. As such, it contrasts dramatically with the Soviet proposal which would merely preserve an existing Soviet advantage that is dangerous to the West. Second, he made it clear that our initiative—which would eliminate an entire category of missiles—is a fair and a moral position. Third, the Vice President made it clear that we are willing to explore any serious Soviet proposal and that I, personally, am prepared to meet Mr. Andropov anywhere, anytime, to sign an agreement to eliminate all land-based intermediate-range nuclear missile weapons from the face of the Earth. Finally, the Vice President conveyed our belief that progress at Geneva depends now—more critically than ever—on continued allied unity and the determination to deploy the missiles requested by our NATO allies if results cannot be achieved which make this unnecessary.

I am deeply encouraged by the report that the Vice President has given me. We and our allies are as one in wanting genuine arms control and in our commitment to the dual track decision. The message that the

Vice President carried and the favorable responses he received reflect a solid expression of allied unity we can all be proud of.

The trip of the Secretary of State to Asia was also of great significance strengthening our relations with three countries very important to the people of the United States—Japan, China, and Korea.

Secretary Shultz's trip to this very important region of the world was an extremely successful one. He also achieved the goals I set for him.

The Secretary reported to me that he comes back from his trip more convinced than ever that much of the world's future is tied up with events in Asia and the Pacific. I fully agree with this assessment. He emphasized to me that Asians share our concerns about the need for significant arms control measures to ensure worldwide peace and security.

In Japan, building upon my recent meetings in Washington with Prime Minister Nakasone, the Secretary reaffirmed the strength of the U.S.-Japan alliance structure and the partnership for peace to which both of our countries are committed. He followed up on the discussions we had in Washington on ways by which Japan can better assume its appropriate responsibilities

in defense and trade matters.

In his meetings at Beijing with the Chinese leadership, the Secretary agreed on the need to develop mutual confidence and trust and to continue the dialog between our two countries in order to achieve a strong and enduring relationship. In this connection, I am pleased that Premier Zhao has accepted my invitation to visit the United States. The time will be agreed on through diplomatic channels.

In the Republic of Korea, the Secretary, in his discussions with leaders of that country and by his visit to American troops in the Demilitarized Zone, made clear the U.S. determination to stand by the Korean people and to maintain our pledge to defend Korean independence against outside aggression.

In Hong Kong, the Secretary chaired a conference of U.S. Ambassadors in East Asia and the Pacific. They discussed economic and political issues in the region, particularly pointing to the strength of our relationships with our friends and allies there.

Note: The President met with the Vice President and the Secretary of State in the Oval Office at the White House. They then attended a meeting of the National Security Council in the Roosevelt Room.

Letter Accepting the Resignation of Richard S. Williamson as Assistant to the President for Intergovernmental Affairs February 11, 1983

Dear Rich:

I regret your departure from my personal staff and from our federalism effort, but I accept your resignation confident that as United States Representative to International Organizations in Vienna you will continue to be of invaluable service both to this Administration and to our country.

I have relied on your dedication, counsel and personal integrity as we have worked together. Since we have been in office, your hard work and leadership have been key to our successes in returning authority to the people and accountability to the government.

In 1981, we were able to consolidate 57 narrow, categorical grants into nine block grants, freeing State and local officials from burdensome red tape and allowing them to make more decisions. In 1982, with your help, the Job Training block grant and the Mass Transportation block grant were enacted. We soon will send to the Congress a federalism package of four mega-block grants, a program of more than \$20 billion, to return responsibilities to States and localities. It is most sweeping federalism reform any Administration has ever sent to Congress and will go a long way toward restoring the proper balance of power. Although

you are leaving, I know you will maintain an interest in our federalism effort, and I promise you we will keep up the fight.

Your advice on a wide range of issues has been of enormous benefit, and I will continue to call on you in the future. Nancy and I send you, Jane and your children our best wishes as you prepare for your new assignment in Europe, and look forward to your successful return.

Sincerely,

RONALD REAGAN

[The Honorable Richard S. Williamson, The White House, Washington, D.C. 20500]

February 11, 1983

Dear Mr. President:

Thank you for the confidence you have expressed in nominating me to become the United States Representative to International Organizations in Vienna, Austria, a position which will provide me another challenging opportunity to serve you and our nation.

The one sadness in assuming this post is that I must leave your personal staff.

Having worked on your behalf in the 1976 and 1980 presidential campaigns, it has been a rewarding experience to be your Assistant for Intergovernmental Affairs as you have translated your campaign promises to action. Thanks to your strong leadership, a 50-year trend of ever more centralized power has been reversed. Drawing upon your years as Governor, you have remained committed to a revitalized federalism and the goal of keeping government decisions close to home. You have achieved historic block grant consolidations, and regulatory relief for cities and states. The federalism initiative which you now are sending to Congress provides the framework for further successes in this area.

In short, your record in rebalancing our federal system is unmatched by that of any other President in our nation's history.

Thank you for the opportunity to serve on your senior White House staff and for the new challenge to represent you and the American people in Vienna.

Therefore, please accept my resignation effective upon my confirmation by the United States Senate.

Sincerely,

RICH

Richard S. Williamson

Nomination of Richard S. Williamson To Be United States Representative to International Organizations in Vienna, Austria *February 11, 1983*

The President today announced his intention to nominate Richard S. Williamson to be United States Representative to international organizations in Vienna, Austria. This Ambassadorship was created by the recently passed Department of State Authorization Act, Fiscal Years 1982 and 1983.

Since February 14, 1981, Mr. Williamson has been serving as Assistant to the President for Intergovernmental Affairs. From January 21 to February 12, 1981, he served as Special Assistant to the President and Deputy to the Chief of Staff.

Mr. Williamson was born in Evanston, Ill.,

on May 9, 1949, and graduated from New Trier High School, Winnetka, Ill., in 1967. He is an honors graduate of Princeton University, where he received his A.B. degree in religion and philosophy in 1971. At Princeton he was president of his senior class, played varsity football, won the east coast plebe tournament wrestling championship, and received the McPhee Award and the Detwiller Prize. He received his J.D. degree in 1974 from the University of Virginia School of Law, Charlottesville, Va., where he was executive editor of the Virginia Journal of International Law. From

1974 to 1976, he was administrative assistant and legislative counsel to Congressman Philip M. Crane (R-Ill.). From 1977 to 1981, he was a practicing attorney with Winston & Strawn. In 1980 he was made a partner of that firm. He has been an adjunct professor at the University of Delaware School of Law.

In 1976 Mr. Williamson served as Illinois director of the Reagan for President campaign. In 1979–1980 he was deputy to the chairman, Senator Paul Laxalt, of the national Reagan/Bush campaign.

He presently serves as Vice-Chairman of the Administrative Conference of the United States, a member of the Advisory Commission on Intergovernmental Affairs, and is Associate Director of the President's Regulatory Relief Task Force, Chairman of the Administration's interdepartmental Puerto Rico Task Force, and Cochairman of the Administration's Territories Task Force.

Mr. Williamson was coeditor with Senator Paul Laxalt (R-Nev.) of "A Changing Amer-

ica," published in 1979. He has authored numerous articles that have appeared in many periodicals, among them the Corporate Lawyer, the Urban Lawyer, Policy Review, Publius, Intergovernmental Perspective, National Civic Review, the Washington Post, the Chicago Tribune, and the Chicago Sun-Times.

Mr. Williamson is married to the former Jane Thatcher of Hinsdale, Ill. She has been director of guidance counseling at Immaculata Preparatory School, Washington, D.C., since 1974. She was appointed in October 1982 as a member of the Secretary of Education's National Advisory Committee on Accreditation and Institutional Eligibility. They have two children, Elisabeth Jean and Craig Salisbury.

Note: On April 15 Mr. Williamson was nominated to be U.S. Representative to the Vienna Office of the United Nations and U.S. Deputy Representative to the International Atomic Energy Agency, with the rank of Ambassador.

Radio Address to the Nation on the Fiscal Year 1984 Budget February 12, 1983

My fellow Americans:

Today, all over our land, we remember the birth of one of our greatest sons, Abraham Lincoln—the self-educated backwoodsman who became a lawyer, Congressman, and President. Whoever would understand in their hearts the meaning of America will find it in the life of Abe Lincoln.

I was told once that if you stand to one side of his statue at the Lincoln Memorial, you can see the profile of a man of strength and wisdom, and by standing on the other side, the profile of a man of compassion. Well, I did that, and it's true. He taught us the true meaning of "We, the people. . . ." He made us understand that no man is good enough to govern another man without that other's consent. And he lived by his words. "I am not bound to win, but am bound to be true."

In the spirit of Lincoln, America has car-

ried forward the dream of democracy, guaranteeing political rights for all her citizens. And as our nation has matured, we have sought to meet more fully the obligations that spring from our national conscience. In the history of mankind, there has never been a people who've strived harder or done more than we Americans to help all who are truly in need.

This administration is committed to carry on that tradition. When the first stage of our economic program was passed a year and a half ago, I said, "America now has an economic plan for her future. We're going forward, and we're not leaving anyone behind." Well, getting our economy back on sound footing has been a long, tough haul, and the job isn't done yet. But evidence grows that the worst of what we inherited is behind us. The economy is improving. Recovery has begun.

What about the second part of our pledge—to make sure no one in America is left behind? Now, I know that some have charged that the social safety net is in shreds. Well, if I may quote Lincoln one more time, “Truth is generally the best vindication against slander.”

By and large, our administration is being criticized for our sincere and, I might add, long overdue attempts to target benefits to the truly needy and to reduce benefits for those who should be able to manage for themselves.

Now, let me give you a few figures: Welfare, medical, nutrition, and housing assistance for our most needy citizens, plus compensation for the unemployed, is almost one-fourth, 24 percent higher in the fiscal 1984 budget than it was in 1981. In our fiscal year 1984 budget we’ve proposed \$93 billion in assistance for the needy and unemployed. Twenty-three years ago, the Federal Government wasn’t spending \$93 billion on its entire budget.

Look at one specific area—nutrition assistance programs. The doom and gloom criers have been having a lot of fun with the charge that we’re increasing hunger. Well, the facts are this administration is committed to providing adequate nutritional assistance to all who need it. And we’re fulfilling that commitment. The Federal Government is subsidizing 95 million meals a day. Meal subsidies are now being targeted more heavily than ever toward children from low-income households. Nutrition standards are being maintained. More people are receiving food stamps than ever before, and average benefits per person have grown at a rate faster than food price inflation. Yes, there has been a slight reduction in the number of school lunches, but that’s because there’s been a reduction in enrollment.

Here’s another myth from the misery merchants: They’ve frightened too many Americans dependent on social security into believing our administration would take away their checks. I have pledged repeatedly that we have only one goal—to save a system badly in need of repair. The best

thing that could happen to social security is to get it out of the news, out of politics, and back into the confidence of the American people. With cooperation from the Congress, we can pass the Social Security Commission’s bipartisan plan and start to do just that.

What about their charge that we’re slashing spending on social programs to spend more on defense? Well, it’s true that we’re requesting \$1.6 trillion in defense spending over the next 5 years. But I’ll bet you haven’t heard that during this same period, spending budgeted for entitlement programs will be over \$2 trillion or \$500 billion more than defense. What we propose to spend on defense is a much smaller part of the Federal budget and our total economy than was being spent 10, 20, 30 years ago. Yet the threat to America’s freedom is greater than it was in those earlier times.

So, let me repeat, far from trying to destroy what is best in our system of humane, free government, we’re doing everything we can to save it by slowing down the destructive rate of growing in taxes and spending and by pruning non-essential programs. This way enough resources will be left to meet the requirements of the truly needy, and we will meet the challenge of fairness. The most unfair situation was the one our people were trapped in before, when record inflation, taxes, and interest rates were slamming shut the gates of prosperity on every American family. We’re out of that trap now. If we work together, we can have a healthy and lasting economic recovery.

As Lincoln once said in another turbulent time, “If we do not make common cause to save the good old ship of the Union on this voyage, nobody will have a chance to pilot her on another voyage.”

Well, America met her test then. With your help, we’ll do it again.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Remarks and a Question-and-Answer Session via Satellite to the Young Presidents Organization in Tucson, Arizona February 14, 1983

The President. Good morning.

It's a pleasure and a privilege to join such an accomplished group of producers and achievers. I almost thought about wearing snow clothes here, being in Washington. But you all became presidents of sizable corporations by the time you were 40. That says a lot about your energy, drive, and vision—some of us take a little longer.

You're the people most able to lead the coming economic recovery, increase its momentum, and bring renewed prosperity to America and the world. By definition, you are risk takers, capitalists, and entrepreneurs. Your comparative youth also indicates you're open to new ideas, ready to try new ways of doing things. And that's just the kind of attitude we need to guide America into her next period of economic greatness.

Those of you from the Midwest are well aware that the recession has hit hardest in areas dependent on what has been called our bedrock industries—autos, steel, chemicals. At the same time, some of our service industries such as banking, computers, and communications are not as affected by the slump. They are becoming pillars of our economy.

We're stepping into a new economic era and one of the most challenging and exciting decades in our history. High technology is revolutionizing our industries, renewing our economy, and promising new hope and opportunity in the years ahead.

America is emerging from a painful period of adjustment. We're paying the price for years and years of big spending, big taxing, and overregulation. We're also suffering the structural problems of an industrial society transforming into more of a service and information society. Our traditional basic industries are not about to die away. America must never abandon them. They're fundamental to our economic base. But each of us, from corporate president to government official to millions of men and women in the marketplace, must recognize

what is happening so that we can harness the forces of change to help all of our people.

This technology phenomenon is not new, but it is accelerating. Since 1945 service industries have been providing an increasing share of American jobs. Between 1977 and 1980, jobs in computers and data processing increased by 64 percent. By the year I took office, nearly three-quarters of all Americans worked in the service industries. In 1982 the service and information sector of our economy made up 50 percent of our total gross national product. For this growth to continue, we must both revitalize our industrial complex and encourage the boom in our service industries. They depend on each other, and both have a vital role in tomorrow's free market economy.

Our basic industries must move into this new era by using and catering to new technology. Our factories must be retooled and recharged, and our systems must integrate high technology whenever possible. If we're to compete internationally, we must, as someone once said, "walk forward, not backward into the future."

You, the captains of industry and commerce, and we in government share the responsibility for moving our people and our economies over the threshold. We share an obligation to lift all our people into a new age of prosperity, bringing skills to the untrained and opportunity to those without hope. But as Franklin Roosevelt said, "We cannot attain a lasting prosperity in a nation half boom and half broke."

In the long run, if men and women like you fulfill your visions, economic growth will put our unemployed back to work, revive idle factories, and open the necessary doors of opportunity. As we've seen with the reopening of the Chrysler plants in Fenton, Missouri, and the rehiring of a total of 3,200 workers there, the developing recovery is beginning to provide jobs. But as I've said before, our people continue to hurt. Those of us in government and you in

the private sector cannot afford to sit back. We must act. We'll not rest until every American who wants a job can find one.

In the short term, I have twice extended the unemployment benefit of workers whose insurance had run out. And I'm asking all Federal departments and agencies to study the prospects for speeding up already budgeted construction to provide jobs sooner than later. But there are other challenges. We must bridge the growing gap between the skills of today's work force and the future needs of business and industry. That's why last October I signed the Job Training Partnership Act which will train more than 1 million of our citizens every year in skills that local business, civic, municipal, and labor leaders say are needed in their communities.

Shortly, I will submit to the Congress the employment act of 1983, designed to get at the special problems of the long-term unemployed as well as aid young people trying to enter the job market. I'll propose extending unemployment benefits, special incentives to employers who hire the long-term unemployed, and support for programs for displaced workers, training, and relocation assistance. Our proposal will also include new incentives for summer youth employment to help young people get a start in the job market.

In our commitment to ensure that all of our people share tomorrow's opportunities, this administration is also moving to assure legal and economic equity for women. We will also seek extension of the Civil Rights Commission. And we will propose measures to contain the skyrocketing costs of health care.

Government must get a hammerlock on the budget monster that threatens the road to recovery. I recently sent to the Congress a budget that is fair, prudent, and realistic. It includes, first, the strong but necessary medicine of a Federal spending freeze; second, specific measures to control the uncontrollable entitlement programs; third, \$55 billion in defense savings; and, fourth, to ensure the reduction and eventual elimination of deficits, a standby tax limited to no more than 1 percent of the gross national product, to start in fiscal 1986, but to start only if Congress has implemented the

proposed spending cuts and if the deficit is more than 2½ percent of gross national product.

At the same time, however, this administration will fight to preserve the third year of the tax break coming to working men and women this July and the tax indexing provision which will protect all Americans from inflationary bracket creep. We must not allow inflation to flare up again because of deficit spending, as it has in the past. But let's not lose sight of one vital point: America didn't run up a trillion-dollar debt because government didn't tax enough; we're saddled with a trillion-dollar debt because government spent too much.

I urge you, as leaders of the private sector, to join us in our campaign to forge a working partnership for recovery between business, labor, education, and government. Already, such a partnership is addressing the training needs of American workers. With the help of our Task Force on Private Sector Initiatives, thousands of working people at the community level have already made the shift from dead-end jobs and low-demand skills to the growth areas of high technology and the service economy.

There is so much more to be done. Together, we can claim this new world of technology and innovation for America and all of our people.

Now, I understand you may have some questions for me.

Moderator. Mr. President, first a question from Fritz Groupe, who is president of the Groupe Company.

The President. All right, Jack.

Heavy Industry in the U.S.

Q. Mr. President, you indicated in your address to us that we're seeing a trend towards the high tech and service industries, the information society. What role do you see the U.S. playing in heavy industry?

The President. Well, there's no question that this doesn't mean—or possibility that this means that we're going to do away with those industries, or see if we can do without them. That would be impossible; they are still a strong base. But this transition we're going through does not so much mean the disappearance of, say, one of the

smokestack industries. It means that high technology is moving in, even there.

Recently, visiting the automobile company that I mentioned in my remarks, I stood at an assembly line that once used to be lined with workers—but the work was all being done by robots. In other words, we will still have the auto industry and the steel industry and all those things that go with it. We must have them. But they will not require the same number of workers they did before.

Moderator. We have a question from Jiggs Davis, president of Baron Data Systems.

Reduction in Capital Gains Tax

Q. Lowering the capital gains tax has increased the formation of new businesses in the United States. What else can be done to really increase that formation and to increase business in the United States and to help compete in the world market?

The President. Well, we have already put some things in place. One of them is that third installment of the income tax [cut] that I mentioned. But in our tax program of 1981, we made great changes, as you know, in business tax, to make it more possible—faster write-off, and so forth, for replacing plant and equipment. A number of things of that kind were done to have the same effect that the lowering of the capital gains tax has had. And that is the greater investment—as a matter of fact, government is getting more revenue as a result of the reduction of that tax rate.

So, we have a number of tax proposals in there that are already in place. We're looking at other things of the same kind.

And the improvement that has been made in personal savings—we're in the best situation in that, that we've been in since 1976. And that has added billions and tens of billions of dollars to the pool of private capital that is available for investment, so that when we can once get at the task of reducing these deficits, which we're going to do, but even with the deficits, there will still be money left for private investors, as well as to fund those government deficits.

Moderator. John Darden, president of Sands and Company.

Defense Spending

Q. Mr. President, among rising concerns about the cost of the arms race, how can you justify the large increase in your budget for defense spending for the next several decades?

The President. Well, now, I know there's been a constant drumbeat about defense spending, as if that's responsible for all our ills. And it makes me able to understand why such a question would come.

In the first place, we are spending a lower percentage of the gross national product on defense than has been customary in the past, with the exception of just the few years before we came here, when there was a real decline in defense spending and a real decline in our ability to protect the freedoms and the people of America.

Now, not only have we reduced the percentage to about 7 percent of gross national product—and back in the fifties and sixties, it averaged 9 and 10 percent of gross national product—but we also are taking a much smaller percentage of the budget as a whole. Defense spending that we've asked for is only 26.7 percent of the budget. Historically, defense spending has been around 50 percent. And in the time of John F. Kennedy, in his administration, it was about 46 percent.

So, we feel that it is necessary to do what we're doing. But the budget that has grown the fastest, that is taking the greatest share, is that of the transfer payments, the so-called entitlement programs, where the money is being taken from workers and earners by way of tax and is being distributed.

Now, we are going to be very careful and are careful that we preserve what we call the "safety net" and make sure that those transfers will continue to the people who are truly needy and who must, through no fault of their own, depend on the rest of us. But we have found that those programs had become so loose administratively that there were people that were sometimes better off than those who were being taxed to support them, who were receiving those transfer payments. We have done our best to tighten that up. We are making gains in this '84 budget, if the Congress will pass it, that will

remedy the situation with those so-called uncontrollable items, the entitlement programs, these transfer payments.

But again, let me point out that the biggest amount of the defense spending is not, as some believe, the investing in great, new weapons systems. It is the simple fact that we began paying the military something a little more commensurate with the service that they're rendering to our country, and the result has been, in these 2 years, a fantastic improvement in the quality and the quantity in our volunteer military. As of 2 years ago, people were saying it was a failure and that we would have to resort to the draft. Today, we have waiting lines. Today, we have an intelligence level and a number, a percentage of high school graduates in the military that is higher than we've ever had before, even when we were using the draft.

But I don't see how those who are criticizing can justify it that we are spending an inordinate amount on the military. I've given you the figures on that, the percentages, and so forth, and I have to say that—and, incidentally, I pointed out in my remarks that over the next 5 years, we, ourselves, are cutting \$55 billion out of our original program. We have already cut some 41 voluntarily—billion dollars—out of that, and the Congress has cut some more, which I wish they hadn't, because it did throw us off balance.

But we're going to continue to find the efficiencies and the economies wherever we can that will get the best out of every dollar that's being spent on defense.

Moderator. Ed Stanley, the president of Stanley Investment and Management Company.

Views on the Presidency

Q. Mr. President, all of us serve as chief executive officers of our companies. You're the chief executive officer of the biggest enterprise on the face of the Earth. We would be interested in your personal reflections on the job, how you deal with the decisionmaking process, and the pressures that make your job as difficult as it really is.

The President. Well, we do have a lot in common. And I think, maybe, one of the things I do that I learned as Governor of

California is pretty similar to what you, as chief executives, have to do in your businesses.

First of all, I want all the input I can get. Now, I had learned over the years—or at least was informed—that Cabinet meetings in government, in Washington for example, were kind of once-a-month ceremonies where the Cabinet got together and various Cabinet members reported on the doings of their particular agency. Well, I changed that in California and changed it here. Our Cabinet operates as kind of a board of directors. And if the issue involves one particular agency, that individual just doesn't have the floor all to himself. Everyone is affected. So, everyone gets into the debate and the discussion as they would around a board of directors table.

Now, the one place where we differ is we don't take a vote. I realize that I have to make the decision. So when I've heard all the pros and cons—and I insist on hearing all views—when I've heard enough to feel that I am soundly briefed, I make the decision. Sometimes I wait a little bit and go back in the office and stew around with it myself for awhile; sometimes I make it right there at the Cabinet table.

But that, I have found, is one of the most effective ways to get things done and also to have some confidence that I had had all the input that there is on a particular subject. And, as I say, I think to that extent it's pretty much what you yourselves do. I have a staff just as you also do. And they're involved in all of this, and I hear their views, also.

Yes, it is an awesome responsibility. I am grateful for the 8 years that I had in California in that position, because it probably was the best training that anyone could have for this particular job—much the same thing on a little different scale. And, of course, we didn't have a foreign policy in California; we have that now. But, once again, the same procedure—the National Security Council, State, and Defense, and all. And this involves other Cabinet members, also—Treasury and the Commerce Department and all are involved in a great many of the international aspects of this job. So we've followed the same process with them.

That's the way it works.

Moderator. Thank you very much, Mr. President. Thank you.

The President. Well, thank you. And together, let me say, we're turning America away from past policies of despair and stagnation. Yes, we still face tough challenges. But we know they're not insurmountable. Just as our forefathers tamed a wild continent and built unparalleled prosperity with their vision, courage, and hard work, so we can claim the promise of tomorrow. If we listen to our hearts, believe in ourselves, and pull together, nothing can stand in our

way.

Thank you all very much, and God bless you.

Note: The President spoke at 12:31 p.m. from the Washington, D.C., studios of the U.S. Chamber of Commerce. His remarks were carried live to the organization's meeting at the University of Arizona in Tucson.

The Young Presidents Organization is an international education association limited to chief executives of corporations who reached their positions before the age of 40.

Nomination of Wesley William Egan, Jr., To Be United States Ambassador to Guinea-Bissau

February 14, 1983

The President today announced his intention to nominate Wesley William Egan, Jr., of North Carolina, a Foreign Service officer of Class one, as Ambassador to the Republic of Guinea-Bissau. He would succeed Peter Jon de Vos, who is being assigned to the Department of State.

Prior to entering the Foreign Service in 1971, Mr. Egan was a teacher of history and English at Tilton School in Tilton, N.H. (1968–1969), and assistant manager of the Gothic Bookshop (Duke University) in

Durham, N.C. (1969–1971). From 1972 to 1974, he was consular officer in Durban. In the Department he was operations officer (1974–1975) and special assistant to the Secretary of State (1975–1977). From 1977 to 1979, he was political officer in Lisbon and was Deputy Chief of Mission in Lusaka in 1979–1982.

Mr. Egan graduated from the University of North Carolina (B.A., 1968). His foreign languages are Italian and Portuguese. He was born January 21, 1946, in Madison, Wis.

Nomination of Carlos Salman To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

February 14, 1983

The President today announced his intention to nominate Carlos Salman to be a member of the Board of Directors of the Overseas Private Investment Corporation, United States International Development Cooperation Agency, for a term expiring December 17, 1985. This is a reappointment.

Since 1972 Mr. Salman has been a real estate broker and investor in Miami, Fla. Previously he was assistant comptroller, Wo-

metco Enterprises, Inc., in Miami, in 1960–1972; assistant treasurer, Iberia Machinery Co., Havana, Cuba, in 1957–1960; and assistant to the vice president in charge of sugar exportation, Ward Garcia Line, Havana, in 1954–1957.

Mr. Salman graduated from Villanova College (B.A., M.B.A.). He is married, has four children, and resides in Miami, Fla. He was born October 3, 1932, in Havana, Cuba.

Proclamation 5021—Imports of Educational, Scientific, and Cultural Materials

February 14, 1983

Temporary Duty Reductions on Certain Articles Pursuant to Legislation Implementing the Nairobi Protocol to the Florence Agreement on the Importation of Educational, Scientific, and Cultural Materials

By the President of the United States of America

A Proclamation

1. On March 1, 1977, the Nairobi Protocol (the Protocol) (97th Congress, 1st session, Senate Treaty Document 97-2, p. 9) to the Florence Agreement on the Importation of Educational, Scientific, and Cultural Materials of November 22, 1950 (the Florence Agreement) (17 U.S.T. 1837) was opened for signature. The Protocol supplements and expands upon the Florence Agreement, which provided for duty-free entry under specified conditions of various educational, scientific, and cultural materials and which entered into force with respect to the United States on November 2, 1966. On January 16, 1981, the President submitted the Protocol to the Senate for advice and consent to its ratification, together with an explanatory letter from the Secretary of State containing a statement that the Administration did not intend to adhere to the optional Annexes F, G, and H of the Protocol.

2. On January 12, 1983, the Educational, Scientific, and Cultural Materials Importation Act of 1982 (the Act) (Pub. L. 97-446; 96 Stat. 2346) was enacted. Section 167(b)(1) of the Act directs the President to proclaim temporary duty-free treatment for certain imported articles for the blind or for other handicapped persons.

3. Section 167(b)(2) of the Act also authorizes the President to proclaim temporary duty-free treatment for imports of specified

printed, visual, and auditory material and certain tools for scientific apparatus, if he determines such action is in the interest of the United States. I have determined that it is in the interest of the United States to implement, on a temporary basis, duty-free treatment for such articles as provided in section 167(b)(2) of the Act.

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including, but not limited to, section 167(b) of the Educational, Scientific, and Cultural Materials Importation Act of 1982 (96 Stat. 2349) and section 604 of the Trade Act of 1974 (19 U.S.C. 2483), do proclaim that—

(1) The Appendix to the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) is modified as set forth in the Annex to this proclamation.

(2) The modifications of the Appendix to the TSUS made by the Annex hereto shall be effective as to articles entered, or withdrawn from warehouse for consumption, on and after February 11, 1983, and before the close of August 11, 1985, unless the period of their effectiveness is earlier expressly suspended, terminated, or modified.

In Witness Whereof, I have hereunto set my hand this 14th day of February, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:45 a.m., February 15, 1983]

Note: The annex is printed in the Federal Register of February 16, 1983.

Proclamation 5022—Zoo and Aquarium Month, 1983 February 14, 1983

*By the President of the United States
of America*

A Proclamation

As the living classroom for some 20 million school children each year, zoos and aquariums have an important role in the American educational process. They also provide stimulating recreational experiences for more than 125 million people who visit them annually.

The United States has some of the finest zoo and aquarium facilities in the world. Many are foremost in the effort to conserve the species they house. American zoos and aquariums cooperate with institutions around the globe to preserve wildlife and to create more sophisticated techniques for exhibiting animals in natural settings.

To both children and adults, animals rep-

resent a special sense of curiosity, feeling, and caring. By enabling us to observe animals firsthand and to learn about their habitats, zoos and aquariums have become a valuable and unique asset.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the month of June 1983 as Zoo and Aquarium Month.

In Witness Whereof, I have hereunto set my hand this 14th day of Feb., in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:46 a.m., February 15, 1983]

Executive Order 12405—Establishment of Emergency Board No. 200 To Investigate a Railroad Labor Dispute February 14, 1983

Establishing an Emergency Board To Investigate a Dispute Between the Consolidated Rail Corporation and the Brotherhood of Locomotive Engineers

A dispute exists between the Consolidated Rail Corporation and the Brotherhood of Locomotive Engineers.

The dispute has not heretofore been adjusted under the provisions of the Railway Labor Act, as amended ("the Act").

This dispute, in the judgment of the National Mediation Board, threatens substantially to interrupt interstate commerce to a degree such as to deprive a section of the country of essential transportation service:

Now, Therefore, by the authority vested in me by Section 10 of the Act, as amended (45 U.S.C. § 160), it is hereby ordered as follows:

1-101. Establishment of Board. There is

established, effective immediately, a board of three members to be appointed by the President to investigate this dispute. No member shall be pecuniarily or otherwise interested in any organization of railroad employees or any carrier.

1-102. Report. The board shall report its findings to the President with respect to the dispute within 30 days of its creation.

1-103. Maintaining Conditions. As provided by Section 10 of the Act, as amended, from the date of the creation of the Emergency Board, and for 30 days after the board has made its report to the President, no change, except by agreement of the parties, shall be made by the carrier or by the employees, in the conditions out of which the dispute arose.

1-104. Expiration. The Emergency Board shall terminate upon submission of the

report provided for in paragraph 1-102 of this Order.

[Filed with the Office of the Federal Register, 10:47 a.m., February 15, 1983]

RONALD REAGAN

The White House,
February 14, 1983.

Announcement of the Establishment of Emergency Board No. 200 To Investigate a Railroad Labor Dispute *February 14, 1983*

The President announced today the creation of Emergency Board No. 200 to investigate and make recommendations for settlement of a current dispute between the Consolidated Rail Corporation (Conrail) and the Brotherhood of Locomotive Engineers (BLE).

The President, by Executive order, is establishing the Emergency Board on recommendation of the National Mediation Board. A strike by BLE threatens to interrupt interstate commerce, substantially depriving a section of the country of essential transportation service. Conrail is the fifth largest railroad in the United States, serving 15 States in the Northeast and the District of Columbia. Its service area contains almost half of the Nation's manufacturing plants and accounts for 45 percent of U.S. economic activity. One quarter of the motor vehicles transported are moved by Conrail, and the carrier is a major hauler of food,

pulp and paper products, coal, chemicals, and primary metal products. The Department of Defense relies on Conrail to transport many types of defense material, including certain essential items such as the M-1 tank. Additionally, a strike on Conrail would disrupt service to the rest of the country because other railroads would be unable to interline with Conrail.

Consequently, the President invoked the emergency board procedures of the Railway Labor Act, which in part provide that the board will report its findings and recommendations for the settlement of the dispute to the President within 30 days from the date of its establishment. The parties must then consider the recommendations of the emergency board without engaging in self-help during a subsequent 30-day period.

Note: The White House press release included a fact sheet on Conrail.

Appointment of the Membership of Emergency Board No. 200 To Investigate a Railroad Labor Dispute *February 15, 1983*

The President today appointed the following individuals to be members of an Emergency Board to investigate a dispute between the Consolidated Rail Corporation and the Brotherhood of Locomotive Engineers:

George Ives, who will serve as Chairman. Mr. Ives is a lawyer and arbitrator in New York

City. He was Chairman of the National Mediation Board in 1969-1981.

Dana E. Eischen is a full-time professional arbitrator in Ithaca, N.Y. He served as special assistant to George Ives when Mr. Ives was Chairman of the National Mediation Board.

Harold M. Weston is an attorney and counselor at law in New York City, specializing in labor relations.

Nomination of John Melvin Yates To Be United States Ambassador to Cape Verde

February 15, 1983

The President today announced his intention to nominate John Melvin Yates, of Washington, a Foreign Service officer of Class one, as Ambassador to the Republic of Cape Verde. Mr. Yates would be the first resident American Ambassador accredited to Cape Verde. He would succeed Peter Jon de Vos, who is being assigned to the Department of State.

Mr. Yates was an assistant in government at Tufts University in 1962–1964. He entered the Foreign Service in 1964 as Foreign Service officer general in Algiers. In 1967–1968 he was economic and consular officer in Blantyre. He attended African area studies at Boston University in 1968–1969. In 1969–1971 he was political officer in Bamako. In the Department he was

country officer for Senegal, Mali, and The Gambia (1971–1972) and for Liberia and Sierra Leone (1972–1973). He was special assistant to the Ambassador in New Delhi (1973–1975), political and military officer in Ankara (1975–1977), and Deputy Chief of Mission in Libreville (1977–1980). In 1980–1982 he was international relations officer in the Office of the Coordinator of Population Affairs in the Department. Since 1982 he has been chargé d'affaires in Praia.

Mr. Yates graduated from Stanford University (A.B., 1961) and the Fletcher School of Law and Diplomacy (M.A., 1962; M.A.L.D., 1963; Ph. D., 1972). His foreign languages are French and Portuguese. He was born November 25, 1939, in Superior, Mont.

Statement on Signing a Bill To Designate a Nancy Hanks Center in Washington, D.C.

February 15, 1983

It gives me great pleasure to sign S. 61, a bill to designate areas within and adjacent to the "Old Post Office Building" on Pennsylvania Avenue NW., in Washington, D.C., as the "Nancy Hanks Center."

Nancy Hanks served with distinction as Chairman of the National Endowment for the Arts from 1969 to 1977. Hers was a strong and effective voice both for the arts and for safeguarding the creative integrity of artists and arts institutions.

The proposed Nancy Hanks Center would include the Old Post Office Building on Pennsylvania Avenue, the plaza adjoining the building, and the public use spaces

within the Old Post Office, including the Pavilion and the clock observation tower. This designation is particularly apt since the renovation of the Old Post Office, its occupancy this year by Federal cultural agencies and commercial enterprises, and its exhibits are due in large measure to the talent and vigor of Nancy Hanks.

I am happy to sign this legislation honoring, in a lasting and appropriate way, a public servant who made major contributions to the cultural life of our nation.

Note: As enacted, S. 61 is Public Law 98-1, approved February 15.

Statement on Proposed Caribbean Basin Initiative Legislation February 16, 1983

In December, I pledged that the Caribbean Basin Initiative would be among the very first pieces of legislation that I would submit to the 98th Congress, and today I have taken the opportunity to focus again on this initiative, which is close to my heart and one of my highest priorities.

As you know, last year the Caribbean Basin Initiative enjoyed strong, bipartisan support and was actually passed by the House. It is essential that we renew our efforts now to complete this vital task.

When we think of our country's security—about strategic areas absolutely essential to our safety—certainly the Western Hemisphere must top the list. If we cannot respond to upheavals in our own front yard, how can we expect to play a strong role for peace in the faraway Middle East, for example?

Today our democratic neighbors in the Caribbean Basin area are confronted with unprecedented political and economic pressures. Aid is important, but it is not enough. We must help these countries to renew their economies and strengthen their democracies. We must open new markets and encourage investment and business expansion, which, I would stress, will lead to direct benefits to the U.S. economy. The tax and trade provisions of the CBI that we are seeking are the essential elements that would make our program more promising than past efforts; leaving them out would gut the program of its greatest strengths.

There are those who believe it takes a general crisis to get action out of Washington. Well, we cannot afford to wait for a crisis to erupt so close to home. It has been almost a year since I met with Caribbean leaders in Barbados. Their people believe in

democracy and want nothing more than an opportunity to live and work in freedom. We owe it to them—but more importantly, to ourselves—to follow through on a program so vital to the well-being of our closest neighbors.

It is no coincidence that I have concentrated considerable effort on the Western Hemisphere over these last 2 years. Shortly after my election, I visited the President of Mexico and have forged close ties with his successor. The first head of state to visit the White House during my administration was Prime Minister Seaga from Jamaica. And just a few months ago I visited South and Central America, meeting with 6 neighboring heads of state. Since entering office it has been my privilege to have conferred directly with the leaders of 15 donor and recipient nations of the CBI.

But I cannot do it alone. Success will require a bipartisan legislative effort; it is the only way we can finish the job we started last year and put into effect the tax and trade provisions of the CBI. If there is one thing I have learned since getting to the White House, it is that we have got to work together if anything is to be accomplished. I am counting on men and women of both parties—as represented by today's visitors—to work with me in securing this vital program for progress in the Caribbean region, and greater security, freedom, and prosperity for all the Americas.

Note: The statement was issued by the Office of the Press Secretary following the President's meeting with a bipartisan group of Congressmen to discuss the proposed legislation. The meeting took place in the Cabinet Room at the White House.

Message to the Congress Transmitting Proposed Tuition Tax Credit Legislation

February 16, 1983

To the Congress of the United States:

I am herewith transmitting proposed legislation entitled the "Educational Opportunity and Equity Act of 1983." This bill would provide for increased diversity in educational opportunity by providing tax relief for parents who choose to send their children to nonpublic schools. Substantially the same bill was favorably reported by the Senate Finance Committee late in the 97th Congress. I call upon the 98th Congress to give enactment of this legislation the highest priority.

Diversity in educational opportunity has been one of the great strengths of our Nation. It is a foundation of our pluralistic society and essential to a Nation which places a high value on individual freedom.

We are justly proud of our public schools which now offer a free education through the primary and secondary school levels to all American children willing to take advantage of it. At the same time, we must remember the important role that has been played since the beginning of our Nation by the diverse nonpublic schools which also offer an education to American children. Now, as they did prior to the establishment of our public school system, parents cherish their ability to choose from a wide range of educational opportunities for their children. It is of great importance to the continued vitality of our society that parents have a meaningful choice between public education and the many forms of private education that are available.

It is also important that there be innovation and experimentation in education. The existence of many private, as well as public, schools assures that new and possibly more effective teaching approaches will not go untested. It is also important that the differing needs and demands of students and their parents be met. Parents who, for whatever reason, are not satisfied by the education available in their local public schools should be able to seek an education better suited to their children elsewhere.

Furthermore, the existence of a viable private alternative should maintain educational standards and meet student needs.

As we are all aware, the cost of education, both public and private, has risen dramatically in recent years. We all bear the burden of the rising costs of public education through State and local taxation, directly or indirectly. But those parents who wish their children to attend nonpublic schools must also bear the additional burden of paying private school tuition. This additional cost has always severely limited the ability of lower income families to choose the nonpublic educational alternative for their children. Rising costs are now putting private schools beyond the reach of a growing number of middle-income Americans as well. If we are to provide a meaningful choice for those for whom it is in danger of becoming an illusion, we must find a way to lighten the "double burden" these families bear.

We must also bear in mind that private schools do more than offer alternative educational choices to students and their parents. Nonpublic schools also carry a significant part of the burden of providing primary and secondary school education in this country. If it becomes financially impossible for many of the families now sending their children to nonpublic schools to continue to do so, the resulting increase in public school attendance will place large and unwelcome new tax burdens on State and local taxpayers. The cost to taxpayers of offering some tax relief to parents, so that they can afford to keep their children in the private schools of their choice, is modest compared to the cost of educating their children in the public schools.

Thus, in order to promote diversity in education and the freedom of individuals to take advantage of it and to nurture the pluralism in American society which this diversity fosters, I am transmitting today a draft bill which provides Federal tax credits for the tuition expenses of children attending

nonpublic primary or secondary schools. Starting in 1983, the Educational Opportunity and Equity Act of 1983, if enacted, would allow a tax credit for the tuition expenses of each student attending a private, nonprofit primary or secondary school. By 1985, when this new tuition tax credit would be fully phased in, a credit equal to 50% of tuition expenses paid during the year, but not to exceed \$300, would be allowed for each student from a family with adjusted gross income of up to \$40,000. The tax credit would be phased down for families with adjusted gross incomes between \$40,000 and \$60,000, and no credit would be available to families with income in excess of \$60,000. Because the tax credit is designed to gradually phase out for those taxpayers making in excess of \$40,000 a year, the proposal provides the greatest assistance to these lower- and middle-income taxpayers who are most severely affected by

rising private school tuition expenses.

Today's proposal makes an important start by providing this relief where it is most necessary. I will be proposing other legislation in the near future to address the problem of financing higher education.

This Administration will not tolerate the use of tuition tax credits to foster racial discrimination. Consequently, the bill contains strong provisions to ensure that no credits will be permitted for amounts paid to schools that follow racially discriminatory policies. These provisions are identical to those that were adopted by the Senate Finance Committee last Fall with broad bipartisan support.

I ask that the Congress move as quickly as possible to enact this much-needed legislation.

RONALD REAGAN

The White House,
February 16, 1983.

Proclamation 5023—Lithuanian Independence Day, 1983 *February 16, 1983*

*By the President of the United States
of America*

A Proclamation

Sixty-five years ago a small nation achieved freedom in the aftermath of World War I. Proclaiming the Lithuanian Republic, its founders stepped forward on February 16, 1918, to assert their country's independence and commitment to a government based on justice, democracy, and the rights of the individual.

Twenty-two years later Soviet tyranny imposed itself on Lithuania and denied the Lithuanian people their just right of national self-determination. In the intervening years, the United States has refused to recognize the forcible incorporation of Lithuania into the Soviet Union.

An enduring belief in freedom for all people unites Americans everywhere. But we must be vigilant in the protection of our common ideal, for as long as freedom is denied others, it is not secure here.

We mark this anniversary of Lithuanian independence with a renewed hope that the blessings of liberty will be restored to Lithuania.

The Congress of the United States, by House Joint Resolution 60, has authorized and requested the President to proclaim February 16, 1983, as Lithuanian Independence Day.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim February 16, 1983, as Lithuanian Independence Day.

I invite the people of the United States to observe this day with appropriate ceremonies and deeds and to reaffirm their dedication to the ideals which unite us and inspire others.

In Witness Whereof, I have hereunto set my hand this 16th day of February, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hun-

dred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:19 a.m., February 17, 1983]

The President's News Conference February 16, 1983

Employment Programs

The President. I have a short statement to make before we get to your questions. I assume that you do have some questions. I would especially like to speak to our citizens who've been hurt by unemployment.

One of the most discouraging things about the recent recession was its duration. The figures show that industrial production leveled out in '79, has generally declined since then. But there was encouraging news as you all know today. Industrial production was up nine-tenths of 1 percent in January, with autos and steel up sharply. And this upturn has been supported by other favorable economic signals in recent weeks, including today's report that January housing starts are up 36 percent over the previous month to the highest monthly level since 1979.

As a result of the economic program we have already in place, the recovery is beginning to flex its muscles. But far too many Americans are still unemployed. The question still before us is how to ease the burden on the jobless without threatening the long-term recovery. And with this balance in mind, I recently instructed the Office of Management and Budget to see what we could do to increase employment by providing more relief in the short term. But I told them not to bring me just another quick fix.

Since then, we've been working toward a bipartisan compromise on jobs and humanitarian aid. And I hope that in the next several days, we can reach an agreement with the Congress so that a bill can be on my desk in March.

The bipartisan compromise has three basic elements. First, it would provide \$4 billion in accelerated expenditures for needed Federal construction and repair

projects. These projects directly and indirectly could provide as many as 470,000 jobs. Second, we would provide \$2.9 billion to fund the supplementary employment insurance—or unemployment insurance, I should say, the programs through the end of the year. And, third, we're seeking 300 million in additional humanitarian relief for those who are in serious distress.

Contrary to previous plans, this one is consistent with our basic long-term recovery program and my own personal principles. It funds no make-work jobs. Instead we're speeding up projects that are already planned and needed. This approach also will have minimum net impact on the budget deficit over the next 3 years since it accelerates money that we were already going to pay out, spending somewhat more now but less later. And the humanitarian relief is a one-time finding—or funding, not the creation of some new continuing program.

In the weeks ahead, I will also send to the Congress my proposals for reducing long-term structural unemployment. These will include tax incentives for businesses that hire the unemployed, incentives for summer youth employment, and funds to retrain displaced workers. I hope the Congress will swiftly enact this second package as well, and together I believe we can get more Americans back to work over both the short term and the long.

And now, Jim [James Gerstenzang, Associated Press]?

Environmental Protection Agency

Q. Mr. President, in the controversy over the Environmental Protection Agency, there have been suggestions of protection of private interests, of mismanagement, of manipulation, all of this creating the im-

pression of an agency in cahoots with business. What's the proper relationship between the EPA, business, and the rest of the Nation? Is the agency living up to your standards, and do you have complete confidence in its director?

The President. I certainly do, and I think that the splendid record that has been accomplished by EPA in these last 2 years is being overlooked in the flurry of accusations that have been made now.

First of all was, we know, about a month before I arrived here, the Superfund was created. That was a billion six hundred million dollars of government money to help in the locating and cleaning up of chemical dumps or waste dumps that have taken place over the years. And so this particular fund is to provide money if there is no one else that can be held responsible for some of these dumps, for the government to fund clearing them up. But the law also provides for EPA to bring suit, to make out-of-court settlements to try and get those responsible, where they can be located, to fund or help fund in these cleanups. So far, they have named 418 such dumps in the country—there must be thousands—but they've named those as high priority because of the risk associated with them.

Now, there have been 23 settlements so far that I know of. There's been one conviction, criminal conviction, and I have to tell you that I believe that the relationship is what it should be, working together with the concerns that are involved to try and get these cleaned up and, where there is responsibility, to get the private sector paying for it. So far, they've used up about \$220 million of the Superfund, but they've also gotten about—somewhere in the neighborhood of another \$150 million from private concerns in these cleanups.

Now, let me point out one thing, because this ties into the whole matter of whether the executive privilege that was invoked over something less than a hundred documents has played some part in what's going on now.

We made available to the Congress some 800,000 documents, and less than a hundred were held out as actually being involved in cases and litigation—cases involved cleanup and private concerns. And

traditionally this makes them eligible for executive privilege, because it would be disastrous to law enforcement, to our own efforts, and to the cleanup of these places if some of the information in these investigative reports was made public.

However, we offered to the congressional committees that they could come and go over these reports themselves to make sure that they were what we said they were, and they refused. But now with this thing that has come up suggesting that there might be wrongdoing, we will never invoke executive privilege to cover up wrongdoing. And so I have ordered complete investigation by the Justice Department into every charge that is made. I hope we're not getting back to a place where accusation is once again going to be taken as proof of guilt.

And we have been negotiating, because the judge that ruled the other day on the executive privilege idea, he really ruled that we and Congress had not done enough to seek a compromise and to get together. So, all afternoon we've been up on the Hill working with the Congress to work out some compromise whereby we can meet this problem, because I can no longer insist on executive privilege if there's a suspicion in the minds of the people that maybe it is being used to cover some wrongdoing. And that, we will never stand for.

Q. So, as far as the suggestions, though, of mismanagement of the Superfund and manipulation, you seem to be saying you don't buy that.

The President. This is what I've told the Department of Justice to look into on all of these. I have been confident of the management by Anne Gorsuch at the department, and we are talking about getting someone to be of help and to counsel with regard to the congressional relationships in the future so that she can devote her time to managing the agency.

Helen [Helen Thomas, United Press International]?

Employment Programs

Q. Mr. President, Congressman Foley praised you today for changing your mind on the emergency jobs bill, and he said that means now that you finally recognize the

harsh realities of the recession. My question to you, sir, is, how soon do you think you'll get a compromise, and are you willing to go for an extra billion or so, or less, I should say, for, to meet Democratic concerns in terms of summer jobs, nutrition for women and children, and energy assistance?

The President. Helen, I didn't have to change my mind. I've been well aware of the harsh realities. In fact, I lived through them in a period of my life. Not too many of you in this room were aware of it at that time.

What we have done, very simply, is, as we've said, in our budget submitted for '84 and then looking toward '85, were a number of requests that we put in funding for repair, for maintenance, for construction of various agencies and departments. And what we were working on ourselves was accelerating these and simply moving them up into '83, in which I would have to ask for a supplemental appropriation to do them in '83, but then we wouldn't have to ask for that money in the '84 and '85 budgets. So, this is what we're doing for the bulk of this.

There is some new money in our proposal also, and for some of the very things that you just mentioned, and we've been working with the leadership up there. And I think we are—I can't say that we're agreed right down to every last comma and period, but they have been most receptive to this program, welcomed it, and I am hopeful that we're going to be able to have a bipartisan agreement on such a proposal.

Now, the difference between this and the type of thing that I threatened to veto was, that was about a \$5½ billion program, but which was new funding, \$5½ billion of new funds, and creating what were make-work jobs out in various levels of the public sector.

Q. Well, how about the add-ons? Could you—

The President. What?

Q. The add-ons? Will you go for a little more?

The President. Well, as I say, wait till you see the second package that we're coming up with, because many of those things are covered. For example, you mention nutrition. Well, right now, in our budget, we will

be providing for about a 12-percent increase in the people that are eligible for the nutritional programs over what they knew in 1980.

Yes—wait a minute. Chris [Chris Wallace, NBC News]?

Kenneth L. Adelman

Q. Mr. President, the Senate Foreign Relations Committee today held off your nomination of Kenneth Adelman as Arms Control Director, and several Senators asked that you withdraw his nomination. Will you?

The President. No, I believe the young man is eminently qualified for this. All of his experience indicates it. He is well educated. He is a very intelligent man—his experience with Jeane Kirkpatrick up at the United Nations and all. And I don't believe that they, in delaying this, have done anything to help us in our efforts to get an arms reductions agreement. I look very much forward to having him doing this, and I have to disagree with those who—

First of all, arms reduction should not be a political problem on the Hill. It's too serious, and we are too concerned with it. And frankly I feel that since I was the one who took the lead in bringing about the first real arms reduction talks that we've ever been able to hold with the Soviet Union—and they are engaged in those talks right now—I believe that I had a right to ask for my choice of who I thought could be of help to me in that.

Q. If I may follow up, sir, what do you expect to do in the next week to turn around that majority that is now against Mr. Adelman? And if Mr. Adelman can't win the confidence of the Republican majority in the Senate Foreign Relations Committee, how do you expect him to be an effective spokesman for the United States with the Soviet Union and our European allies?

The President. I think that what I'll do—you don't give away trade secrets or anything, but I will try to be as persuasive as I can and make them see the light. If that falls short, maybe I'll try to make them feel the heat.

Larry [Laurence Barrett, Time]?

Arms Control and Reduction

Q. Further on arms control, sir, since November of '81 your administration has stuck to the so-called zero option in the INF phase, and that tack so far has just led to deadlock. There's been a good deal of debate inside the administration about offering a different position, one that might lead to more bargaining. You've apparently chosen not to do that. Can you tell us why?

The President. No, Larry, the situation is just exactly what George Bush was telling our friends in Europe it was, calling attention back to when I first, before the Press Club, introduced this proposal for zero option, that I said that we would negotiate in good faith any legitimate proposal that might be offered. Well, we still say the same thing. So far no legitimate counterproposal has been offered that would warrant negotiation or study. But we do believe that the zero option is the moral high ground in this situation, that the opportunity in that area to get rid of an entire class of weapons and release both the Soviet Union, the Eastern bloc, and Western Europe from the threat that is hanging over them warrants doing our best to get that solution.

Q. Sir, if I might follow up. By clinging to that position, if it's leading nowhere, don't you run the risk of the worst of both worlds—no agreement with the Soviets and a backing down by the European allies about deployment of the new cruise missiles and Pershings?

The President. Well, let me just say, without getting into the strategy of negotiating, I don't believe we've reached that point yet. And I don't think that's a valid threat.

No, you. Bob [Robert Ellison, Sheridan Broadcasting]?

Agriculture Department

Q. Mr. President, a memo was drafted recently by the Director of the Office of Minority Affairs in the Agriculture Department, Isidoro Rodriguez. It was for Secretary Block. And it contained some controversial changes in civil rights regulations. It was rejected by Deputy Assistant Secretary John Franke. What information, if any, do you have about this?

The President. Well, I can't give you an answer right now. I don't know what this is,

but I'll certainly look into it, because—are you suggesting that there were some suggestions with regard to employment in the Department?

Q. Well, the memo suggests purging some aspects of title VII of the Civil Rights Act with regard to underrepresentation. It also mentions that women and other groups haven't supported you despite their benefiting politically and financially from Agriculture Department events such as Women's Week. Now, given the perception which you have acknowledged that some people have of you, my other question would be, why would such a memo come up through the administration. Why would it bubble up?

The President. Well, it didn't bubble far enough to get to me—[laughter]—and I can only tell you that I will look into it and communicate with Jack Block right away.

Ann [Ann Compton, ABC News]?

Social Security

Q. Mr. President, social security has not gotten that much attention in the last couple of weeks. But there's a mounting campaign against the kind of compromise that you and the Democratic leadership came up with. What will you do if you cannot get a compromise through, if those, for instance, representing Federal employees do make the argument successfully to Congress that Federal employees—their own retirement system would go bankrupt if you started including Federal employees under a social security compact? Do you have a plan of what you will do if you have no success with your compromise?

The President. Well, Ann, first of all, I'm confident that we are going to have an acceptable compromise. I think it ill behooves government employees to make an issue as to why—and incidentally, remember, we're not talking about government employees who presently are covered by that program. We're talking about new employees who will, henceforth, come into government—that they will be covered by social security instead of a government pension plan. But I think it ill behooves them when this is a compulsory program for all the rest of the people in the country—that they should

somehow be exempt from this program. Then where do we start drawing the line?

So, I think it was a legitimate part of the compromise to include them. And since the program, the present benefit program for—or pension plan for government employees, is funded in part by employee contributions, but the balance of it and the greatest percentage of it is covered just simply out of general tax funds, general spending, why, I don't see where they can say that there's any threat to the existing program for existing employees in—the newcomers then being covered by social security.

Lesley [Lesley Stahl, CBS News]?

Kenneth L. Adelman

Q. Mr. President, back on your Arms Control Director nomination, Kenneth Adelman. He was quoted today in the Senate Foreign Relations Committee hearing as having said that, "Arms talks are a sham that we just have to play out to keep the American people and European allies happy." With that kind of statement on the record from him, and with the fact that he doesn't have a lot of practical experience in arms control negotiations, are you not handing the Soviet Union a propaganda advantage in that propaganda war in Europe by presenting this man as our lead man on arms control?

The President. No, I don't believe so, and I don't—I know that he is aware of what it is that we're proposing and what we're trying to do. And it isn't—he knows it isn't a sham, that we're as on the level as anyone can be in trying to promote this. And I think he can be helpful in that. And I think that it would be far more destructive to our allies and their peace of mind to see me repudiated by a Senate committee on someone that I want to help in this after the great success that George Bush has had and George Shultz in Asia.

Q. But, Mr. President, in not voting on him today, as I understand the committee action, rather than vote against your choice, they're asking you not to make them do that, but to withdraw him so they won't have to. But if they did have a vote, they would have voted against him. So—

The President. Well, either way I would lose then, wouldn't I? And what's the differ-

ence whether I surrender or they beat me by one vote?

Federal Reserve Board Chairman

Q. Mr. President, I'd like to ask you about another important appointment you're going to have to make before too long. The term of Paul Volcker, the Federal Reserve Chairman, expires in a few months, and what I'm wondering is, what are the qualifications that you'll be looking for in a new Fed Chairman? And would you consider reappointing Mr. Volcker to that job?

The President. Well, now you've asked one that I can't answer, because I just don't believe in talking about possible appointments in advance. It'll just have to wait till the time comes. I just don't discuss those.

Lou [Lou Cannon, Washington Post]?

Libya

Q. Mr. President, there's a report tonight that we have sent AWACS to Egypt and that we've sent a carrier nearby. And I wanted to ask you, do you fear that there's going to be a Libyan attack on Egypt, or could you explain why we've taken these actions that we apparently have taken?

The President. Well, I don't believe that there's been any naval movement of any kind. And we're well aware of Libya's attempts to destabilize its neighbors and other countries there in that part of the world.

But the AWACS, this is not an unusual happening. We have conducted joint exercises and training exercises with the Egyptian Air Force—one, last year. We'll do more in the future. And these planes have been there for quite some time in Egypt, the AWACS planes, for this kind of an exercise, and that's what they're going to conduct.

Q. So, if I may follow up, sir. You don't see, then, any unusual or particular threat from Libya toward Egypt or its neighbors at this moment beyond the general attitude the Libyans have had?

The President. Well, as I've said to you, we're well aware of their propensity for doing things like that, so we wouldn't be surprised. But this is an exercise that we've done before, are going to do again, and

going to do it now. And there, as I say, has been no naval movement at all.

Sam [Sam Donaldson, ABC News]?

Q. Sir, I'd like to follow up on Lou's question. We understand that the threat may be from Qadhafi to the Sudan. And my question to you is, how serious is the threat to the Sudan? And, if necessary, would you use American forces to stop Qadhafi?

The President. I don't think there's any occasion for that; it's never been contemplated. But we've known that the Sudan is one of the neighboring states that he has threatened with destabilizing and so forth, just as he has with Chad. And that's all I can say about that. But, no, we don't have any forces in that area that would be involved.

Q. Well, sir, the question arises because, you'll remember very well, in 1981 we shot down two of Qadhafi's aircraft that we said were challenging us in the Gulf of Sidra. I take it if we do have naval forces there, we'd repeat that, if necessary?

The President. Well, this was an exercise that is held annually by our navy, and part of the force was deployed narrowly in the Gulf of Sidra, which he had tried to claim—international water or was—not international waters, I'm sorry—was his waters. This is as if we ran a line from the Texas border over to the tip of Florida and said the Gulf of Mexico is American waters. No one else can get in.

But in that instance, it was just very clear cut. They sent out planes, and they shot missiles at two of our airplanes that were up there. And two of our airplanes turned around and shot missiles at them. And we were just better shots than they were.

Q. Would we do it again if necessary, sir?

The President. I think that any time that our forces, wherever we have put them, are fired upon, I have said, they've got a right to defend themselves, yes.

Now, Godfrey [Godfrey Sperling, Jr., Christian Science Monitor]?

Gun Control

Q. To another very difficult problem, Mr. President: crime. You are aware, I am sure, that the United States has an utterly disgraceful number of murders. Do you believe that there's any correlation between

the wide dissemination of guns in this country and this disgraceful record? And, in short, isn't it time for a truly effective gun control law?

The President. We get back to the old argument again—and I have stated many times—you cannot find in the States, the various States that have gun control laws, that there is any proportionate difference in the crimes committed where there are those very strict laws and where they are far looser in their laws.

I think that what we should be aiming at all over the country is what we did in California, and that is that—never mind whether you're going to try to take guns away from good people, the criminal is going to find a way to have a gun. What we did was say that anyone convicted of a crime, if he had a gun in his possession at the time the crime was committed, whether he used it or not, add 5 to 15 years to the prison sentence and make the prison sentence mandatory. No probation could be given. And I think that is more of an answer. The guns aren't making people criminals; criminals are using guns.

Q. Well, I've been wanting to ask you this for a long while, and with Mr. Hinckley in the news again this last week, don't you think that things might have been different if Hinckley hadn't had more difficulty in being able to get a gun?

The President. Sure would have been more comfortable, except that at 2 o'clock in the afternoon, thereabouts, out there surrounded by many of you, he did what he did in an area that has about the strictest gun control laws that there are in the United States. Now, how effective are gun control laws for someone that wants to commit a crime using a gun when he could choose the place where there's supposed to be least likely to have one?

Candy [Candy Crowley, Associated Press Radio]?

Lebanon

Q. Mr. President, in a recent interview you indicated that if the stabilization of Lebanon would require more peacekeeping forces that we ought to be willing to do that. My question is, is the U.S. proposing or

is it backing a plan that would include more peacekeeping forces in Lebanon, and would those forces be somewhere other than the Beirut area?

The President. We have said—and there had been talk of this with regard to the difficulty in getting the present forces of the PLO, the Syrians, and the Israelis out of Lebanon while they establish themselves and their government—we have said that if in consultation with our allies, the multinational forces, if an increase and redeployment of those forces could aid and speedup this getting of the other forces out of there, I would be willing to go along with that. Of course, we would have to have the equal agreement of our allies in that, or maybe other countries could join, too.

And I think it would be well worth it, because I think this is too great an opportunity to finally bring peace to the Middle East for us to let this go by. And I would like—as I say, I think it would be well worth the price to have them there. It doesn't mean that their duty would be very much any different than it is today. It's to be a stabilizing force while Libya [Lebanon] recovers from this long period of warlords with their own armies and so forth, and establishes its sovereignty over its own borders.

Q. If I could follow up, you seem to be indicating that you have decided. Have you proposed it? Is it part of the plan that Mr. Habib¹ has taken?

The President. No, this is just, as I've said, that if this should become a factor, and this could be the key element in resolving this situation, this departure of forces from Lebanon. Then, yes, I would be willing to go along with this.

West German Elections

Q. Mr. President, as you know, there's an election approaching in West Germany, and the latest polls appear to give the opposition a prospect at least of winning those elections in March. My question to you is, what do you think the consequences would be for the Western alliance if a new

German Government took office and declined to deploy the Pershing missiles?

The President. I think it would be a terrible setback to the cause of peace and disarmament. So far I've had no indication that that would be a possibility. Herr Vogel² has been here in this country. He indicated support of what it is that we're proposing in the arms reduction talks, and he seemed to indicate his knowledge of how important our continued plan to deploy—remember, at their request—those missiles would be in securing this reduction in armaments.

So, we're not going to inject ourselves into anyone else's internal affairs or elections at all. But I believe that the Vice President's trip there found great support all over Europe of what it is we're doing, and in Germany, even, from the fact that there is—they're preparing for an election.

Q. So, you think the deployment question will not turn on the West German elections, then?

The President. No, I don't. I don't really believe that.

When I said it would be terrible, I did not mean that to infer as that someone else might win an election. I meant that it would be terrible if any of our allies withdrew from their present position of support for this.

This one.

Views on the Presidency

Q. Mr. President, a number of conservative leaders here at home have grumbled recently that you are being swayed by aides who don't share your ideology. What is your reaction both to the suggestion that aides are taking you in a direction you don't want to go, and secondly, to the slogan used by at least one of your members of the Cabinet, "Let Reagan Be Reagan"?

The President. Well, I'll tell you, I read those things too, and I get pretty frustrated. Because maybe I'm going to have to have an exhibition up here in which we get some of those unnamed aides up and see if they can push me off the platform. [Laughter]

¹ Ambassador Philip C. Habib, the President's Special Representative for the Middle East.

² Hans-Jochen Vogel, Social Democratic Party candidate for Chancellor.

I'm not being pushed around. I'm being given what I have asked for, which is every option, every shade of thinking on issues, and then I make the decisions. And there's no one pushing me, and I'm beginning to think that those aides are akin to that mysterious "they" who always is saying something. "They say"—and I've never met "they" as yet.

Arms Control and Reduction

Q. Mr. President, back to the missiles in Europe. The message that Vice President Bush seemed to bring back and that we heard from him on television last week was that they do support your zero option proposal, but since it has gotten nowhere that they would very much like the consideration of a so-called interim move toward less progress. Coming out of your spokesman in the past 2 or 3 days seems to be a very hard line against that, and I wonder, don't you think that is making it politically more difficult for the NATO leaders to—

The President. No, what he came back with was support expressed for our zero option. And what he also did—there's no question about, they wanted to know whether, you know, we're going to be willing to talk other issues—and he pointed out to them my original statement, and that has been our position. If somebody wants to present another offer, we'll negotiate in good faith with this.

Q. Well, if I may follow up, since your zero option, Mr. Andropov made a counter-proposal which has been rejected here. Doesn't that leave a lot of NATO leaders feeling like the ball should be in your court if there is going to be some—

The President. Well, no, when you—you know, I said a reasonable proposal. A hundred and sixty-two missiles with three warheads on each one—we are up to the neighborhood of 500 missiles—and yet we would still be zero; we would not have any deterrent force on our side—that does not sound to me like a reasonable proposal. Now, I think the ball is still in their court.

Ms. Thomas. Thank you.

The President. Oh.

Q. Mr. President, since—

The President. Helen, I should have been watching you.

Q. Have I been given a reprieve? Mr. President—

The President. You owe her one. [*Laughter*]

Q. Indeed, I do.

Federal Taxation

It's pretty clear—based on what people on the Hill in both parties are saying—that there's not much sentiment for your idea of contingency taxes to kick in if the deficit is still going to be high several years down the road. So, what's your alternate solution, and are there any circumstances under which you'd drop the indexing?

The President. No, and I would have to explain why. At the rate we're reducing inflation now, indexing as a tax measure is not going to be very important to anyone whether they have it or not with regard to the amount of money that they're going to be able to keep, because inflation, as I say, is—and that we hope that by that time—it is not scheduled to go into effect awhile yet, that it would be—that we'll even be in a better situation. But what I want indexing for is—let's not kid ourselves, government has found inflation a very handy method for getting additional revenues without having to face the public and demand a tax increase. It is a tax. Government gets a profit from inflation. And I would like to see the indexing put in place to permanently take away from government the incentive to create inflation in order to get more money. If they think they have to have more money, then they should be able to stand up and tell the American people they're going to ask for a tax increase.

Q. Well, sir, if you can't drop indexing, how do you propose to correct the deficit if you don't get the contingency taxes?

The President. Well, how do they propose to—how do they propose that; if indexing isn't going to take much revenue away from government with inflation down as low as it is, what are they counting on?

The contingency plan had one feature of it that appealed to me. And that is that it could only be—it has to be passed first, and then, it sits there as a contingency—it could only be implemented if the Congress has agreed to the cuts in spending and the

changes that we have asked for. If they haven't done that, then we can't.

But now, Helen won't give in on any more. I've got to go home now.

Note: The President's 16th news conference began at 8:01 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television.

Nomination of Edwin J. Gray To Be a Member of the Federal Home Loan Bank Board

February 17, 1983

The President today announced his intention to nominate Edwin J. Gray to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1983, vice Andrew A. DiPrete, and also for a term of 4 years expiring June 30, 1987 (reappointment).

Mr. Gray is currently serving as senior vice president and director of public affairs for San Diego Federal Savings and Loan Association. He served as Deputy Assistant to the President for Policy Development from January 1981 until March 1982 and was Director of Policy Information from March until August 1982.

He was associate director of policy coordination for human services in the office of the President-elect in 1980-1981. He was

campaign press secretary to Ronald Reagan for 4 months during the 1980 campaign, following which he was promoted to deputy chief of staff and director of policy communications for the Reagan-Bush committee. He served as the Governor's press secretary in Sacramento, Calif.; in 1972-1973, was associate press secretary in the Governor's office in 1968-1972, and assistant press secretary in 1967-1968. He is past president of the San Diego Taxpayers Association and of the San Diego Business and Professional Club. He has also served as a director and member of the executive committee of the California Taxpayers Association.

He is married, has two children, and resides in La Jolla, Calif. He was born August 22, 1935.

Appointment of Luis A. Anderson as a Member of the Board of the Panama Canal Commission

February 17, 1983

The President today announced his intention to appoint Luis A. Anderson, a citizen of Panama, to be a member of the Board of the Panama Canal Commission. He will succeed Roberto Huertematte Espinosa.

Mr. Anderson is presently Vice Minister of Labor and Social Welfare in Panama. He

has been secretary general of the National Federation of Democratic Workers and of the Panama Workers' Confederation. He was labor adviser to the Panamanian negotiating team for the Torrijos-Carter treaty.

He was born February 9, 1941, in Colon, Republic of Panama.

Remarks of the President and Prime Minister Kåre Willoch of Norway Following Their Meetings February 18, 1983

The President. Well, I can tell you that I'm very pleased—and we all are—with the meetings that we've had with Prime Minister Willoch. Norway and the United States enjoy close ties that long predate our alliance, and it's always a happy occasion when we find a friend like Prime Minister Willoch paying us a visit.

Our discussions today come at a critical time for our alliance, a time when it's more important than ever for freedom-loving people on both sides of the Atlantic to reaffirm their shared security interests. For our part, I assured the Prime Minister of a firm American commitment to the preservation of peace and freedom and of our continuing efforts in coordination with our allies in the North Atlantic Community to achieve reductions in the military arsenals of both the East and the West.

The Prime Minister and I also discussed general NATO security issues and the importance of Norwegian energy supplies to the West. Our talks on all of these matters were positive and upbeat, as was our discussion of the international economic issues.

I'm deeply impressed that in these challenging times Norway and the United States, two longtime friends, continue to have strong commonality of interests. I hope that Prime Minister Willoch found the visit as useful as I did, and I look forward to maintaining a close and friendly relationship that is traditional between the leaders of our people and our two countries.

Mr. Prime Minister, it's been good to have you here.

The Prime Minister. Thank you.

Mr. President, I would first like to thank you for your gracious words. My visit to Washington, my discussions with a number of the American leaders, and of course, in particular, the meeting with you, Mr. President, today, has indeed been very, very useful to us. And I would like to add that we feel here, as we felt in Minnesota earlier this week, how close our two nations are.

I have had the opportunity to present

Norwegian views on a number of problems facing us today. The most important current issue is the question of disarmament and arms control, and in particular, the Geneva negotiations.

The Western goal remains clear. We want to reach a balance of forces in Europe with as few nuclear weapons as possible. The zero option with no intermediate nuclear weapons on either side is the optimum outcome. We know that the U.S. will make all possible efforts to get an agreement with the Soviet Union as close to this optimum as possible. And to achieve this, it is of the utmost importance that the allies stand united.

We also had the opportunity to discuss a number of other issues, as the President mentioned. We discussed, among other issues, the economic outlook and the possibilities for improved international cooperation to achieve a revival of our economies and a reduction of unemployment.

Mr. President, I wish to thank you once again wholeheartedly for your kindness and for all the useful discussions we have had. Thank you so much, Mr. President.

Q. Mr. President, there may be \$50 million missing from the Superfund. Does that disturb you, sir? Fifty million dollars missing from the Superfund, there may be, according to a Congressman. Does that disturb you?

The President. It would disturb me if it were true. This is what we've said we're going to find out, if there's anything to support any of these charges. And we're doing our utmost to find that out.

Q. Are you going to reach an agreement today on the papers, sir, turning them over or not?

The President. [Inaudible]—you wouldn't expect me to read the mind of those people up on the Hill, would you?

Note: The President spoke at 1:22 p.m. to reporters assembled at the South Portico of the White House. Earlier, the President and

the Prime Minister met in the Oval Office, together with United States and Norwegian officials, including the Vice President, Secretary of State George P. Shultz, and U.S.

Ambassador to Norway Mark Evans Austad. The President and the Prime Minister and their delegations then held a working luncheon in the Residence.

Memorandum on Government Patent Policy February 18, 1983

Memorandum to the Heads of Executive Departments and Agencies

Subject: Government Patent Policy

To the extent permitted by law, agency policy with respect to the disposition of any invention made in the performance of a federally-funded research and development contract, grant or cooperative agreement award shall be the same or substantially the same as applied to small business firms and nonprofit organizations under Chapter 38 of Title 35 of the United States Code.

In awards not subject to Chapter 38 of Title 35 of the United States Code, any of the rights of the Government or obligations of the performer described in 35 U.S.C. 202–204 may be waived or omitted if the

agency determines (1) that the interests of the United States and the general public will be better served thereby as, for example, where this is necessary to obtain a uniquely or highly qualified performer; or (2) that the award involves co-sponsored, cost sharing, or joint venture research and development, and the performer, cosponsor or joint venturer is making substantial contribution of funds, facilities or equipment to the work performed under the award.

In addition, agencies should protect the confidentiality of invention disclosure, patent applications and utilization reports required in performance or in consequence of awards to the extent permitted by 35 U.S.C. 205 or other applicable laws.

RONALD REAGAN

Message to the Congress on Proposed Caribbean Basin Initiative Legislation February 18, 1983

To the Congress of the United States:

Last year I proposed a major new program for economic cooperation for the Caribbean Basin. I am pleased to report that the aid portion of the Caribbean Basin Initiative was acted upon last year, and that the region has already reaped some of the benefits from the \$350 million of this emergency assistance. However, while the House of Representatives also approved the trade and tax portions of this integrated program, Congress adjourned before favorable consideration could take place in the Senate. Today I am transmitting to the Congress for swift action the trade and tax plan as ap-

proved by a majority of members during the last session.

The economic, political, and security challenges in the Caribbean Basin are formidable. Our neighbors are struggling to keep up with the rapidly changing global economic system, while striving to develop or nurture representative and responsive institutions. These tasks would be burden enough for any nation, but they are also being forced to defend themselves against attempts by externally-supported minorities to impose an alien, hostile, and unworkable system upon them by force. These challenges must be faced foursquare. The alter-

native is further expansion of political violence from the extreme left and the extreme right, leading inevitably to further economic decline, and more human suffering and dislocation.

The economic crisis facing most of the Basin countries is acute. Deteriorating trade opportunities, worldwide recession, mounting debt burdens, growing unemployment, and deep-seated structural problems are having a catastrophic impact throughout the region. These developments have forced thousands of people to emigrate and have left even the most established democracies severely shaken. This is a crisis we cannot afford to ignore.

The emergency funding approved last year has helped these fragile economies cope with their mounting balance of payments problems. I must stress, however, that the trade and tax portions I am transmitting today are designed to improve the

lives of the peoples of the Caribbean Basin by enabling them to earn their own way to a better future. At the same time, given the interdependence between U.S. and Caribbean Basin economies, this bill will also benefit the U.S. by expanding markets for our exports and hence improving U.S. job opportunities. It should also reduce the pressures of economically-inspired immigration into this country from the region.

Thanks to the cooperative, bipartisan spirit with which this program has been considered, and the changes that were made last year by Congress to ensure beyond any doubt adequate safeguards for domestic interests, I am hopeful that the Caribbean Basin Initiative will be acted upon with maximum speed by the Congress.

RONALD REAGAN

The White House,
February 18, 1983.

Executive Order 12406—President's Commission on Strategic Forces

February 18, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, and specifically the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), it is hereby ordered that Executive Order No. 12400, establishing the President's Commission on Strategic Forces, is amended as follows:

Section 1. Section 2(b) of the Order is amended to provide as follows:

"(b) The Commission shall report to the President no later than April 15, 1983."

Sec. 2. Section 4(b) of the Order is amended to provide as follows:

"(b) The Commission shall terminate 60 days after it has reported to the President, unless sooner extended."

RONALD REAGAN

The White House,
February 18, 1983.

[*Filed with the Office of the Federal Register, 10:12 a.m., February 22, 1983*]

Remarks at the Conservative Political Action Conference Dinner

February 18, 1983

Ladies and gentlemen, Mr. Chairman, reverend clergy, Mickey, I thank you very much for those very kind words, and I

thank all of you for certainly a most hearty and warm welcome.

I'm grateful to the American Conserv-

ative Union, Young Americans for Freedom, National Review, and Human Events for organizing this third annual memorial service for the Democratic platform of 1980. Someone asked me why I wanted to make it three in a row. Well, you know how the Irish love wakes. [Laughter]

But I'm delighted to be back here with you, at your 10th annual conference. In my last two addresses, I've talked about our common perceptions and goals, and I thought I might report to you here tonight on where we stand in achieving those goals—a sort of state of the Reagan report, if you will.

Now, I'm the first to acknowledge that there's a good deal left unfinished on the conservative agenda. Our cleanup crew will need more than 2 years to deal with the mess left by others for over half a century. But I'm not disheartened. In fact, my attitude about that unfinished agenda isn't very different from that expressed in an anecdote about one of my favorite Presidents, Calvin Coolidge. [Laughter]

Some of you may know that after Cal Coolidge was introduced to the sport of fishing by his Secret Service detail, it got to be quite a passion with him, if you can use that word about "Silent Cal." [Laughter] Anyway, he was once asked by reporters how many fish were in one of his favorite angling places, the River Brule. And Coolidge said the waters were estimated to carry 45,000 trout. And then he said, "I haven't caught them all yet, but I sure have intimidated them." [Laughter]

Well, it's true we haven't brought about every change important to the conscience of a conservative, but we conservatives can take a great deal of honest pride in what we have achieved. In a few minutes I want to talk about just how far we've come and what we need to do to win further victories. But right now, I think a word or two on strategy is in order. You may remember that in the past, I mentioned that it was not our task as conservatives to just point out the mistakes made over all the decades of liberal government, not just to form an able opposition, but to govern, to lead a nation. And I noted this would make new demands upon our movement, upon all of us.

For the first time in half a century, we've

developed a whole new cadre of young conservatives in government. We've shown that conservatives can do more than criticize; we've shown that we can govern and move our legislation through the Congress.

Now, I know there's concern over attempts to roll back some of the gains that we've made. And it seems to me that here we ought to give some thought to strategy—to making sure that we stop and think before we act. For example, some of our critics have been saying recently that they want to take back the people's third-year tax cut and abolish tax indexing. And some others, including members of my staff, wanted immediately to open up a verbal barrage against them. Well, I hope you know that sometimes it's better if a President doesn't say exactly what's on his mind. [Laughter] There's an old story about a farmer and a lawyer that illustrates my point.

It seems that these two got into a pretty bad collision, a traffic accident. They both got out of their cars. The farmer took one look at the lawyer, walked back to his car, got a package, brought it back. There was a bottle inside, and he said, "Here, you look pretty shook up. I think you ought to take a nip of this, it'll steady your nerves." Well, the lawyer did. And the farmer said, "You still look a little bit pale. How about another?" [Laughter] And the lawyer took another swallow. And under the urging of the farmer, he took another and another and another. And then, finally, he said he was feeling pretty good and asked the farmer if he didn't think that he ought to have a little nip, too. And the farmer said, "Not me, I'm waiting for the State trooper." [Laughter]

I wonder if we can't learn something from that farmer. If our liberal friends really want to head into the next election under the banner of taking away from the American people their first real tax cut in nearly 20 years; if, after peering into their heart of hearts, they feel they must tell the American people that over the next 6 years they want to reduce the income of an average family by \$3,000; and if they want to voice these deeply held convictions in an election year—well, fellow conservatives, who are we to stifle the voices of con-

science? [Laughter]

Now, in talking about our legislative agenda, I know that some of you have been disturbed by the notion of standby tax increases in the so-called out-years. Well, I wasn't wild about the idea myself. But the economy is getting better, and I believe these improvements are only the beginning. And with some luck, and if the American people respond with the kind of energy and initiative they've always shown in the past, well, maybe it's time we started thinking about some standby tax cuts, too.

But you know, the great thing about that standby tax increase is that if it's passed, they can't put it into effect unless they have first agreed to all our spending cuts. It does give them something to think about.

But you know, with regard to the economy, I wonder if our political adversaries haven't once again proved that they're our best allies. They spent the last 16 months or so placing all the responsibility for the state of the economy on our shoulders. And with some help from the media, it's been a pretty impressive campaign. They've created quite an image—we're responsible for the economy.

Well, I assume that we're responsible then for inflation which, after back-to-back years in double digits before we got here, has now been reduced to 3.9 percent in 1982. And for the last 3 months of that year, it ran at only 1.1 percent. In 1982 real wages increased for the first time in 3 years. Interest rates, as you've already been told, have dropped dramatically, with the prime rate shrinking by nearly 50 percent. And in December, the index of leading indicators was a full 6.3 percent above last March's low point and has risen in 8 of the last 9 months. Last month housing starts were up 95 percent and building permits 88 percent over last year at this time. New home sales are up by 54 percent since April, and inventories of unsold homes are at the lowest levels in more than a decade. Auto production this quarter is scheduled to increase by 22 percent, and General Motors alone is putting 21,400 of their workers back on the job. Last month's sharp decline in the unemployment rate was the most heartening sign of all. It would have taken a \$5 billion jobs bill to reduce unemployment

by the same amount—and it didn't cost us anything.

It's time to admit our guilt, time we admitted that our liberal critics have been right all the time. And they should go right on telling the American people that the state of the economy is precisely the fault of that wicked creature, Kemp-Roth and its havoc-breaking truth [havoc-wreaking twin],¹ Reaganomics.

Let's confess, let's admit that we've turned the corner on the economy. And we're especially proud of one thing: When we hit heavy weather, we didn't panic, we didn't go for fast bromides and quick fixes, the huge tax increases or wage and price controls recommended by so many. And our stubbornness, if you want to call it that, will quite literally pay off for every American in the years ahead.

So, let me pledge to you tonight: Carefully, we have set out on the road to recovery. We will not be deterred. We will not be turned back. I reject the policies of the past, the policies of tax and tax, spend and spend, elect and elect. The lesson of these failed policies is clear; I've said this before: You can't drink yourself sober or spend yourself rich, and you can't prime the pump without pumping the prime—as somebody did, like to 21½ percent in 1980.

And a word is in order here on the most historic of all the legislative reforms we've achieved in the last 2 years—that of tax indexing. You can understand the terror that strikes in the heart of those whose principal constituency is big government. Bracket creep is government's hidden incentive to inflate the currency and bring on inflation, and indexing will end that. It will end those huge, hidden subsidies for bigger and bigger government. In the future, if we get indexing planted firmly as a law of the land, the advocates of big government who want money, more money for their social spending, their social engineering schemes, will have to go to the people and say right out loud: We want more money from your weekly paycheck, so we're raising your taxes. Do that instead of sneaking it out by way of inflation, which they have helped

¹ *White House correction.*

bring on.

So, all the professional Washingtonians, from bureaucrats to lobbyists to the special interest groups, are frightened—plain scared—and they're working overtime to take this one back. Well, I think I speak for all conservatives when I say: Tax indexing is nonnegotiable. It's a fight we'll take to the people, and we'll win.

But I think you can see how even this debate shows things are changing for the better. It highlights the essential differences between two philosophies now contending for power in American political life. One is the philosophy of the past—a philosophy that has as its constituents an ill-assorted mix of elitists and special-interest groups who see government as the principal vehicle of social change, who believe that the only thing we have to fear is the people, who must be watched and regulated and superintended from Washington.

On the other hand, our political philosophy is at the heart of the new political consensus that emerged in America at the beginning of this decade, one that I believe all—well, I believe it will dominate American politics for many decades. The economic disasters brought about by too much government were the catalysts for this consensus. During the seventies, the American people began to see misdirected, overgrown government as the source of many of our social problems—not the solution.

This new consensus has a view of government that's essentially that of our Founding Fathers—that government is the servant, not the master; that it was meant to maintain order, to protect our nation's safety, but otherwise, in the words of that noted political philosopher, schnozzle Jimmy Durante, "Don't put no constrictions on da people. Leave 'em da heck alone." [*Laughter*]

The overriding goal during the past 2 years has been to give the government back to the American people, to make it responsive again to their wishes and desires, to do more than bring about a healthy economy or a growing gross national product. We've truly brought about a quiet revolution in American Government.

For too many years, bureaucratic self-interest and political maneuvering held sway

over efficiency and honesty in government. Federal dollars were treated as the property of bureaucrats, not taxpayers. Those in the Federal Establishment who pointed to the misuse of those dollars were looked upon as malcontents or troublemakers.

Well, this administration has broken with what was a kind of a buddy system. There have been dramatic turnabouts in some of the more scandal-ridden and wasteful Federal agencies and programs. Only a few years ago, the General Services Administration was racked by indictments and report after report of inefficiency and waste. Today at GSA, Jerry Carmen has not only put the whistleblowers back in charge, he's promoted them and given them new responsibilities. Just listen to this little set of figures. Today, General Services Administration work-in-progress time is down from 30 days to 7, even while the agency has sustained budget cuts of 20 percent, office space reductions of 20 percent, and the attrition of 7,000 employees.

At the Government Printing Office, under Dan Sawyer, losses of millions of dollars have suddenly been ended as the workforce was cut through attrition and a hiring freeze, and overtime pay was cut by \$6 million in 1 year alone. The Government publication program, which ran a cumulative loss of \$20 million over a 3-year period, registered a \$4.9 million profit, and the GPO as a whole has experienced a profit of \$4.1 million last year.

It is said by some that this administration has turned a blind eye to waste and fraud at the Pentagon while overzealously concentrating on the social programs. Well, at the Pentagon, under Cap Weinberger's leadership and our superb service Secretaries, Jack Marsh, John Lehman, and Verne Orr, we have identified more than a billion dollars in savings on waste and fraud and, over the next 7 years, multiyear procurement and other acquisition initiatives will save us almost \$30 billion.

Now, these are only three examples of what we're attempting to do to make government more efficient. The list goes on. We have wielded our inspectors general as a strike force accounting for nearly \$17 billion in savings in 18 months. With Peter

Grace's help, we've called on top management executives and experts from the private sector to suggest modern management techniques for every aspect of government operations. And with an exciting new project called Reform 88, we're going to streamline and reorganize the processes that control the money, information, personnel, and property of the Federal bureaucracy—the maze through which nearly \$2 trillion passes each year and which includes 350 different payroll systems and 1,750 personnel offices.

There is more, much more—from cutting down wasteful travel practices to reducing paperwork, from aggressively pursuing the \$40 billion in bad debts owed the Federal Government to reducing publication of more than 70 million copies of wasteful or unnecessary government publications.

But, you know, making government responsive again to the people involves more than eliminating waste and fraud and inefficiency. During the decades when government was intruding into areas where it's neither competent nor needed, it was also ignoring its legitimate and constitutional duties such as preserving the domestic peace and providing for the common defense.

I'll talk about defense in a moment. I know you've already heard about that today, some of you. But on the matter of domestic order, a few things need to be said. First of all, it is abundantly clear that much of our crime problem was provoked by a social philosophy that saw man as primarily a creature of his material environment. The same liberal philosophy that saw an era of prosperity and virtue ushered in by changing man's environment through massive Federal spending programs also viewed criminals as the unfortunate products of poor socioeconomic conditions or an underprivileged upbringing. Society, not the individual, they said, was at fault for criminal wrongdoing. We were to blame.

Well, today, a new political consensus utterly rejects this point of view. The American people demand that government exercise its legitimate and constitutional duty to punish career criminals—those who consciously choose to make their life by preying on the innocent.

Now, we conservatives have been warning about the crime problem for many years, about that permissive social philosophy that did so much to foster it, about a legal system that seemed to specialize in letting hardened criminals go free. And now we have the means and the power to do something. Let's get to work.

Druggusher after druggusher, mobster after mobster has escaped justice by taking advantage of our flawed bail and parole system. Criminals who have committed atrocious acts have cynically utilized the technicalities of the exclusionary rule, a miscarriage of justice unique to our legal system. Indeed, one National Institute of Justice study showed that of those arrested for drug felonies in Los Angeles County in 1981, 32 percent were back out on the streets because of perceived problems with the exclusionary rule.

Now, the exclusionary rule—that isn't a law that was passed by Congress or a State legislature, it's what is called case law, the result of judicial decisions. If a law enforcement officer obtains evidence as the result of a violation of the laws regarding search and seizure, that evidence cannot be introduced in a trial even if it proves the guilt of the accused. Now, this is hardly punishment of the officer for his violation of legal procedures, and it's only effect, in many cases, is to free someone patently guilty of a crime.

I don't know, maybe I've told you this before, but I have to give you a glaring example of what I've taken too much time to explain here. San Bernardino, California, several years ago: Two narcotics agents, based on the evidence that they had, obtained a legal warrant to search a home of a man and woman suspected of peddling heroin. They searched the home. They didn't find anything. But as they were leaving, just on a hunch, they turned back to the baby in the crib and took down the diapers, and there was the stash of heroin. The evidence was thrown out of court and the couple went free because the baby hadn't given permission for the violation of its constitutional rights.

Well, this administration has proposed vital reforms of our bail and parole systems and criminal forfeiture and sentencing

statutes. These reforms were passed by the Senate 95 to 1 last year. Our anticrime package never got out of committee in the House of Representatives. Do you see a target there? *[Laughter]* The American people want these reforms, and they want them now. I'm asking tonight that you mobilize all the powerful resources of this political movement to get these measures passed by the Congress.

On another front, all of you know how vitally important it is for us to reverse the decline in American education, to take responsibility for the education of our children out of the hands of the bureaucrats and put it back in the hands of parents and teachers. That's why the Congress must stop dithering. We need those tuition tax credits. We need a voucher system for the parents of disadvantaged children. We need education savings accounts, a sort of IRA for college. And finally—and don't think for a moment I've given up—we need to eliminate that unnecessary and politically engendered Department of Education.

There are other steps we're taking to restore government to its rightful duties, to restore the political consensus upon which this nation was founded. Our Founding Fathers prohibited a Federal establishment of religion, but there is no evidence that they intended to set up a wall of separation between the state and religious belief itself.

The evidence of this is all around us. In the Declaration of Independence, alone, there are no fewer than four mentions of a Supreme Being. "In God We Trust" is engraved on our coinage. The Supreme Court opens its proceedings with a religious invocation. And the Congress opens each day with prayer from its chaplains. The schoolchildren of the United States are entitled to the same privileges as Supreme Court Justices and Congressmen. Join me in persuading the Congress to accede to the overwhelming desire of the American people for a constitutional amendment permitting prayer in our schools.

And finally, on our domestic agenda, there is a subject that weighs heavily on all of us—the tragedy of abortion on demand. This is a grave moral evil and one that requires the fullest discussion on the floors of the House and Senate. As we saw in the last

century with the issue of slavery, any attempt by the Congress to stifle or compromise away discussion of important moral issues only further inflames emotions on both sides and leads ultimately to even more social disruption and disunity.

So, tonight, I would ask that the Congress discuss the issue of abortion openly and freely on the floors of the House and Senate. Let those who believe the practice of abortion to be a moral evil join us in taking this case to our fellow Americans. And let us do so rationally, calmly, and with an honest regard for our fellow Americans.

Speaking for myself, I believe that once the implications of abortion on demand are fully aired and understood by the American people, they will resolutely seek its abolition. Now, I know there are many who sincerely believe that limiting the right of abortion violates the freedom of choice of the individual. But if the unborn child is a living entity, then there are two individuals, each with the right to life, liberty, and the pursuit of happiness. Unless and until someone can prove the unborn is not alive—and all medical evidence indicates it is—then we must concede the benefit of the doubt to the unborn infant.

But whether it's cutting spending and taxing, shrinking the size of the deficit, ending overregulation, inefficiency, fraud, and waste in government, cracking down on career criminals, revitalizing American education, pressing for prayer and abortion legislation, I think you can see that the agenda we've put before America these past 2 years has been a conservative one. Oh, and there are two other matters that I think you'd be interested in. First, as part of our federalism effort, next week we will be sending to the Congress our proposal for four megablock grants that will return vital prerogatives to the States where they belong. And second, the Office of Management and Budget will press ahead with new regulations prohibiting the use of Federal tax dollars for purposes of political advocacy.

And these important domestic initiatives have been complemented by the conservative ideas we've brought to the pursuit of foreign policy. In the struggle now going on

for the world, we have not been afraid to characterize our adversaries for what they are. We have focused world attention on forced labor on the Soviet pipeline and Soviet repression in Poland and all the other nations that make up what is called the "fourth world"—those living under totalitarian rule who long for freedom.

We publicized the evidence of chemical warfare and other atrocities in Cambodia, which we're now supposed to call Kampuchea, and in Afghanistan. We pointed out that totalitarian powers hold a radically different view of morality and human dignity than we do. We must develop a forward strategy for freedom, one based on our hope that someday representative government will be enjoyed by all the people and all the nations of the Earth.

We've been striving to give the world the facts about the international arms race. Ever since our nearly total demobilization after World War II, we in the West have been playing catchup. Yes, there's been an international arms race, as some of the declared Democratic candidates for the Presidency tell us. But let them also tell us, there's only been one side doing the racing.

Those of you in the frontline of the conservative movement can be of special assistance in furthering our strategy for freedom, our fight against totalitarianism. First of all, there is no more important foreign policy initiative in this administration, and none that frightens our adversaries more, than our attempts through our international radios to build constituencies for peace in nations dominated by totalitarian, militaristic regimes. We've proposed to the Congress modest but vitally important expenditures for the Voice of America, Radio Free Europe/Radio Liberty, and Radio Marti. These proposals stalled last year, but with your help we can get them through the Congress this year. And believe me, nothing could mean more to the Poles, Lithuanians, Cubans, and all the millions of others living in that fourth world.

Now, it would be also unconscionable during any discussion of the need for candor in our foreign policy not to mention here the tragic event that last year shocked the world—the attack on His Holiness, Pope John Paul II—an act of unspeakable evil, an

assault on man and God. It was an international outrage and merits the fullest possible investigation. Tonight, I want to take this opportunity to applaud the courage and resourcefulness of the Government of Italy in bringing this matter to the attention of the world. And, contrary to what some have suggested, you can depend on it, there is no one on our side that is acting embarrassed or feeling embarrassed because they're going ahead with that investigation. We mean to help them.

And, now, Cap, you can breathe easy, because here we come. We must continue to revitalize and strengthen our Armed Forces. Cap Weinberger's been waging an heroic's battle on this front. I'm asking you, the conservative leaders here tonight, to make support for our defense buildup one of your top priorities.

But besides progress in furthering all of these items on the conservative agenda, something else is occurring—something that someday we conservatives may be very proud happened under our leadership. Even with all our recent economic hardships, I believe a feeling of optimism is now entering the American consciousness, a belief that the days of division and discord are behind us and that an era of unity and national renewal is upon us.

A vivid reminder of how our nation has learned and grown and transcended the tragedies of the past was given to us here in Washington only a few months ago. Last November, on the Mall, between the Lincoln Memorial and the Washington Monument, a new memorial was dedicated—one of dark, low-lying walls inscribed with the names of those who gave their lives in the Vietnam conflict. Soon, there will be added a sculpture of three infantrymen representing different racial and ethnic backgrounds.

During the dedication ceremonies, the rolls of the missing and dead were read for 3 days, morning till night, in a candlelight ceremony at the National Cathedral. And those veterans of Vietnam who were never welcomed home with speeches and bands, but who were undefeated in battle and were heroes as surely as any who ever fought in a noble cause, staged their own parade on Constitution Avenue.

As America watched them, some in wheelchairs, all of them proud, there was a feeling that as a nation we were coming together, coming together again, and that we had at long last brought the boys home.

"A lot of healing . . . went on," said Jan Scruggs, the wounded combat veteran who helped organize support for the memorial. And then there was this newspaper account that appeared after the ceremonies. I'd like to read it to you.

"Yesterday, crowds returned to the memorial. Among them was Herbie Petit, a machinist and former marine from New Orleans. 'Last night,' he said, standing near the wall, 'I went out to dinner with some ex-marines. There was also a group of college students in the restaurant. We started talking to each other, and before we left, they stood up and cheered. 'The whole week,' Petit said, his eyes red, 'it was worth it just for that.'"

It has been worth it. We Americans have learned again to listen to each other, to trust each other. We've learned that government owes the people an explanation and needs their support for its actions at home and abroad. And we've learned—and I pray this time for good—that we must never again send our young men to fight and die in conflicts that our leaders are not prepared to win. [Applause]

Thank you very much.

Yet, the most valuable lesson of all, the preciousness of human freedom, has been relearned not just by Americans but all the people of the world. It is "the stark lesson" that Truongs Nhu Tang, one of the founders of the National Liberation Front, a former Viet Cong minister and vice-minister of the postwar Vietnamese Communist government, spoke of recently when he explained why he fled Vietnam for freedom. "No pre-

vious regime in my country," he wrote about the concentration camps and boat people of Vietnam, "brought such numbers of people to such desperation. Not the military dictators, not the colonialists, not even the ancient Chinese warlords. It is a lesson that my compatriots and I learned through witnessing and through suffering in our own lives the fate of our countrymen. It is a lesson that must eventually move the conscience of the world." This man who had fought on the other side learned the value of freedom only after helping to destroy it and seeing those who had had to give it up.

The task that has fallen to us as Americans is to move the conscience of the world, to keep alive the hope and dream of freedom. For if we fail or falter, there'll be no place for the world's oppressed to flee to. This is not a role we sought. We preach no manifest destiny. But like the Americans who brought a new nation into the world 200 years ago, history has asked much of us in our time. Much we've already given; much more we must be prepared to give.

This is not a task we shrink from; it's a task we welcome. For with the privilege of living in this kindly, pleasant, greening land called America, this land of generous spirit and great ideals, there is also a destiny and a duty, a duty to preserve and hold in sacred trust mankind's age-old aspirations of peace and freedom and a better life for generations to come.

God bless you all, and thank you for what you're doing.

Note: The President spoke at approximately 9 p.m. in the main ballroom at the Sheraton Washington Hotel following an introduction by Representative Mickey Edwards of Oklahoma, national chairman of the American Conservative Union.

Statement on the Enforcement-Sensitive Documents of the Environmental Protection Agency February 18, 1983

I am very pleased to learn that we have been able to reach agreement with the Congress on the procedures for handling the EPA enforcement-sensitive documents that have been sought by Mr. Levitas' subcommittee and the contempt citation of Administrator Gorsuch. The agreement strikes an appropriate balance in that it is consistent with the doctrine of executive privilege, while it also assures that necessary information is made available to the Congress in the legitimate pursuit of its responsibilities. I thank Mr. Levitas for his cooperation and statesmanship in effecting this resolution.

I asserted executive privilege as to the enforcement-sensitive documents because I have a constitutional obligation to the people—and to those who have held this Office in the past and will hold it in the future—to ensure that the integrity of sensitive law enforcement documents be preserved.

Under our constitutional system, the legislative branch has a responsibility for oversight and the executive branch has a responsibility for enforcing the laws. Occa-

sionally there is a legitimate dispute over the respective roles of each. This is nothing new—it has been going on for almost 200 years. In the past the branches have managed to reach compromises that acknowledge and preserve the legitimate interests of each branch. What we both sought to do in these negotiations was to reach a solution which would do that. That is what we have done.

Note: The agreement is detailed in a 5-page document entitled "Memorandum of Understanding Between the Committee on Public Works and Transportation and the Department of Justice Concerning Documents Subpoenaed From the Environmental Protection Agency." The document was signed by Representative Elliott H. Levitas, chairman of the Subcommittee on Investigations and Oversight of the House Committee on Public Works and Transportation, Counsel to the President Fred F. Fielding, and Deputy Attorney General Edward C. Schmults, following their meeting on February 18.

Radio Address to the Nation on Defense Spending February 19, 1983

My fellow Americans:

This Monday will mark the 251st birthday of George Washington, the Father of our Country. Unlike Abraham Lincoln, Franklin Roosevelt, and most other famous Presidents, Washington was not a great orator or man of words. He was, above all, a man of action and character. His courage, firmness, and integrity first led a ragged, outnumbered army to triumph against the mightiest empire of his time and then guided our infant republic to maturity as the first President of the United States.

George Washington didn't say much, but when he did speak, as both a soldier and a

statesman, what he said was worth listening to. As President, in his first annual address to the Congress, he offered a wise piece of advice on defense preparedness that is as timely today as it was when he uttered it nearly two centuries ago.

"To be prepared for war," George Washington said, "is the most effectual means of preserving the peace." When I reread this quote a few days ago, it brought to mind the current public debate over this administration's efforts to protect the peace by restoring our country's neglected defenses.

Now, I know that this is a hard time to call for increased defense spending. It isn't

easy to ask American families who are already making sacrifices in the recession, or American businesses which are struggling to reinvest for the future, and it isn't easy for someone like me who's dedicated his entire political career to reducing government spending.

On the other hand, it's always very easy and very tempting politically to come up with arguments for neglecting defense spending in time of peace. One of the great tragedies of this century was that it was only after the balance of power was allowed to erode and a ruthless adversary, Adolf Hitler, deliberately weighed the risks and decided to strike that the importance of a strong defense was realized too late. That was what happened in the years leading up to World War II. And especially for those of us who lived through that nightmare, it's a mistake that America and the free world must never make again.

I want you to know that members of my administration and I have agonized over the current defense budget. We've trimmed back our plans for rebuilding defense by more than half. We've hunted for savings in nonessential programs. We've weighed economic risks and economic benefits. The defense budget we finally presented is a minimal budget to protect our country's vital interests and meet our commitments.

For those who wish to cut it back further, I have a simple question. Which interests and which commitments are they ready to abandon? Let me make just a few key points about our defense program.

First, we must develop a responsible and balanced understanding of the danger we face. Over the past 20 years, the Soviet Union has accumulated enormous military might, while we restrained our own efforts to the point where defense spending actually declined, in real terms, over 20 percent in the decade of the seventies.

Today, the Soviets out-invest us by nearly 2 to 1. Even with the defense increases of the past 2 years, they outproduce us substantially in almost every category of weapons. And in actions such as the brutal invasion and occupation of Afghanistan, they have demonstrated their willingness to use these weapons for aggression.

Finally, Soviet military power has spread around the globe, threatening our access to vital resources and our sea lines of communication, undermining our forward line of defense in Europe and Korea, and challenging us even at home, here in our own hemisphere.

We must face the facts. If we continue our past pattern of only rebuilding our defenses in fits and starts, we will never convince the Soviets that it's in their interests to behave with restraint and negotiate genuine arms reductions. We will also burden the American taxpayer time and again with the high cost of crash rearmament. Sooner or later, the bills fall due.

For instance, our land-based missiles were designed in the 1950's and installed in the sixties, and many of the pilots of our B-52 bombers are younger than the planes they fly. The fact is these past fits and starts in a decade of neglecting our defenses have left this administration, this Congress, and the American taxpayer stuck with double duty.

We had to act quickly to increase the basic readiness and staying power of our forces so that they could meet any immediate crisis if one arose. At the same time, we have to make up for lost years of investment by undertaking the research and development and the force modernization needed to meet crises that could arise in the future. We simply cannot afford [avoid] performing this double duty unless we're willing to gamble with our immediate security and pass on to future generations the legacy of neglect we inherited. That kind of neglect would only weaken peace and stability in the world, both now and in the years ahead.

I have lived through two world wars. I saw the American people rise to meet these crises, and I have faith in their willingness to come to their nation's defense in the future. But it's far better to prevent a crisis than to have to face it unprepared at the last moment. That's why we have an overriding moral obligation to invest now, this year, in this budget, in restoring America's strength to keep the peace and preserve our freedom.

Till next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Remarks at a Reception Honoring the National Review *February 21, 1983*

I feel dutybound to prove that I, too, am a linguist with all of the languages that have been up here. So, in the language of my forefathers, "I'll have another drink of that fine Irish whiskey." *[Laughter]*

You know, there was a lot of talk when I first started to run for office about what was someone that had been in show business in Hollywood doing running for office. Well, you just saw a great example of how it pays off. *[Laughter]* In Hollywood on the set, the floor is laced with chalk marks so the actors will know where they're to arrive at and stand and so forth for various scenes. Well, you saw how effectively I've managed this up here. *[Laughter]*

Well, John McLaughlin, I thank you. He's your NR's man in Washington. It's a pleasure to be here and see that you're looking so well. I can't tell you how happy I am to find out there really is life after death for former White House speechwriters. *[Laughter]*

Today we celebrate Washington's birthday, and I can't think of a more appropriate occasion to celebrate National Review's heightened profile in the Nation's Capital; for if George Washington was the father of his country, NR has been the father of American conservative intellectual movement. And it's only fitting that at a time when conservative issues and philosophy are finally setting the terms of debate in the halls of government that NR has come to Washington in a big way.

I see a lot of friends in this room tonight, and I hope I'll have a chance to say a personal hello to many of you before I leave. But before I go any further, I just have to say a few words about three people who are very special to me and to NR.

Ladies first. There's a person here tonight who is respected and loved by everyone who's ever had any dealings with National Review. Her official title: managing editor.

But I always think of Priscilla Buckley—and this is with all due respect to Marlon Brando—as the godmother of National Review. *[Laughter]* Priscilla, I hope we can count on you to keep the "East 35th Street irregulars" in fighting trim for many more years to come.

And then there's an old friend of mine, Bill Rusher. When he's not toying with the idea of a third party, he's always been tireless and a very valued support. *[Laughter]* I think that all of us who follow his column and who remember his many appearances on "The Advocates" appreciate how much the conservative cause owes to the energetic and articulate champion of the principles that we believe in so deeply. Bill, congratulations on your fine work as a conservative leader and your outstanding service as NR's publisher.

Finally, I want to say just a word or two about your editor, Bill Buckley. And unlike Bill, I'll try to keep my words to single syllables, or at the worst, only two. *[Laughter]* You know, I've often thought when I've been faced with memorandums from deep in the bowels of the bureaucracy what I wouldn't give to have Bill as an interpreter. *[Laughter]*

You know, a fellow comes in, stands in front of your desk, hands you a memorandum, and he stays and waits there while you read it. And so you read: "Action-oriented orchestration, innovation, inputs generated by escalation of meaningful, indigenous decisionmaking dialog, focusing on multilinked problem complexes, can maximize the vital thrust toward nonalienated and viable urban infrastructure." *[Laughter]* I take a chance and say, "Let's try busing." *[Laughter]* And if he walks away, I know I guessed right. *[Laughter]*

But I think you know that National Review is my favorite magazine. I've even paid the ultimate compliment of comman-

deering two of your longtime contributors, Aram Bakshian and Tony Dolan, on our White House staff. NR isn't a favorite only because it's fought the good fight so long and so well, although that would be reason enough. It's my favorite because it's splendidly written, brilliantly edited, and a pleasure to read. In fact, I honestly believe even if I were to suffer from mental illness or convert to liberalism for some other reason—[laughter]—NR would still be my favorite magazine because of its wit and its charm and intellectual quality of its contents.

There's a problem, though, Bill, that I think you should know about. It's all that talk about your being aloof and insensitive and an out-of-touch editor. People are saying that you spend too much time away from New York. They're also saying you're being pushed around by your staff. [Laughter] And I understand there's a new button on the market: "Let Buckley be Buckley." [Laughter] Some people even question whether you're going to seek another term. [Laughter]

Now, of course, I don't believe a word of

this myself. But let me give you one piece of friendly advice. Bill, I think it would be a good idea for you to make a definite statement about your intentions sometime before Labor Day. [Laughter]

But, this is a party, not a political rally. And I think I addressed most of the substantive issues on everyone's mind last Friday at the Conservative Political Action Conference. By the way, has anyone seen any of the poll results from this year's conference?

Let me just close by saying a heartfelt thank you to National Review for all you've done for the values we share and for sending reinforcements to Washington at just the right moment. I know that your heightened presence here will be an aid and inspiration to all of us in the movement in the years ahead. And just by being here you help to make the Nation's Capital a little less of a puzzle palace and a little more like our town.

So, thank you. God bless you all.

Note: The President spoke at 6:05 p.m. in the Dolley Madison Room at the Madison Hotel.

Remarks Following Investiture as an Honorary Member of the Society of the Cincinnati February 21, 1983

Thank you, sir, and thank all of you. I am very proud to become an honorary member of the Society of Cincinnati. I know the story that was told here tonight of Cincinnatus, who was called from his farm by the people of Rome to lead them against the invaders. And after he defeated the enemy, grateful Romans offered him power and privilege, but he refused all honors and retired to his farm. I know there are a great many people today who hope I'll soon follow that example—[laughter]—and return to my ranch. But, of course, this society was named because of the parallel between Cincinnatus and the farmer of Mount Vernon, George Washington.

In 1775 Washington went to Philadelphia

to represent Virginia in the Second Continental Congress. And we all know of the events that occurred in Philadelphia, events that changed the course of history. Six long years passed before Washington was again able to return to Mount Vernon for a brief stay on his way to Yorktown. And it took another 2 years before he was able to resign his commission and return to the civilian life of a farmer.

He was again called to Philadelphia, this time for the Constitutional Convention. And then for another 8 years he led his nation—not as a general, but as the President. In 1797, when he retired at last to his beloved Mount Vernon, he must have felt the deepest satisfaction from knowing that

he'd served his country in every capacity it had asked of him.

There's a story—I don't know how well known; maybe it is well known to all of you because of your membership here—but of a dinner at Mount Vernon, when Lafayette asked him why it was that Americans seemed to be able to retain their good nature and to laugh even in times of strain and stress. And he asked what caused that. And Washington's answer, I thought, was something not profound or great—very simple. “Well,” he said, “maybe it's because here there's room for a man to be alone.” And he said, “And we have friends who want nothing of us except friendship.”

Well, his is a story of unselfish service which all schoolchildren—and all adults, for that matter—should carry in their hearts. Your ancestors, the commissioned officers who fought in the Revolution, sacrificed as well. Many of them had served 7 or 8 years, leaving families behind and, as has been said, yes, the officers went a number of years without being paid. But what's more, they and their men fought with a great deal of courage with few supplies and little equipment. I wonder if maybe that's where we got a heritage that Churchill called attention to in World War II when he said of our young men—and all of us should be proud of this—he said, “They seem to be the only men in the world that can laugh and fight at the same time.”

Well, currently this nation is debating the '84 defense budget, which is far different from the one in Washington's day. Today we speak in billions, not thousands, and talk not of muskets, but of MX's. And yet, the ends are the same: to secure liberty and peace for the United States and her citizens. And I want you, the descendants of those colonial officers, to know that I will

fight to ensure that today's military officers and troops are given what they need to defend themselves and their country.

We cannot let the threat we face be minimized by a budget deficit, serious as that deficit is. Our country has a genuine, compelling defense need, and all of the needs must be met. To echo the words of Washington, “There is nothing so likely to produce peace as to be well prepared to meet an enemy.”

The values and valor of those Continental soldiers helped to release the freedom this blessed nation now enjoys. The vigilance and training of today's soldiers keep that freedom secure. Yes, meeting the defense budget calls for sacrificing other ways we might like to spend those funds. But this is a small sacrifice compared to that of America's colonial citizens. They paid with their blood and long years of hardship.

I've said before I believe this land was set aside in an uncommon way, that some divine plan must have placed this continent here between the oceans to be found by people from every corner of the Earth, but who had one thing in common, and that was a special love of faith and freedom and peace.

I know these are the very bonds that guide the Society of Cincinnati, and I'm honored, greatly honored, more than I can say, to be a member, even honorary, of that society.

I thank you. And God bless your brave ancestors, God bless you.

Note: The President spoke at approximately 6:30 p.m. at Anderson House, the national headquarters of the society. He was introduced by John S. du Mont, president general of the society.

Remarks at the Presentation Ceremony for the 1982 Freedoms
Foundation American Friendship Medal to Prime Minister Edward
Philip George Seaga of Jamaica
February 22, 1983

The President. It's a great pleasure to welcome all of you here this morning. We're here to honor one of the foremost statesmen in our hemisphere and certainly our good friend and my good friend, the Prime Minister, Edward Seaga of Jamaica.

Prime Minister Seaga's being awarded the 1982 American Friendship Medal by the Freedoms Foundation for his efforts to further democratic institutions and the free market economy and for his courageous leadership in the cause of freedom for all people. Few people are more deserving of this tribute than Prime Minister Seaga. People often say that freedom is a worthy ideal and it works. Well, the proof of this axiom is reflected in the achievements in Jamaica of the man we're honoring today.

Before Prime Minister Seaga, there was violence and lawlessness. Now there's peace and growing respect for the law. Before, there was despair about the future. Now there is hope and expectation of better times ahead. In the recent past, the economy was declining. And now, through free enterprise, it is growing. And a short time ago few new jobs were being created, and now there are significant employment opportunities. Without the political and economic freedom characteristic of democratic societies, these results would have been impossible.

Jamaica's demonstrating to its neighbors who share its structural economic problems and resulting political polarization that conditions of freedom and economic opportunity lead to greater prosperity and peace for all. Prime Minister Seaga's accomplishments are not limited to what he's done in Jamaica in just over 2 years. He has long opposed totalitarian inroads in the Caribbean Basin. He has fought for the adherence of Basin States to the principles of free elections, respect for basic human rights, and other democratic ideals that we all cherish.

Long-term prosperity cannot be achieved without internal conditions of political free-

dom and economic opportunity. But external assistance is often necessary to help overcome structural economic problems that impede development. This is particularly true in Caribbean Basin nations, whose small economies are especially vulnerable to external shocks. Prime Minister Seaga's ideas about the need for outside trade and investment incentives to foster the region's economic development were an important intellectual force contributing to the development of my Caribbean Basin Initiative—CBI—proposal to Congress last year.

Prime Minister Seaga has been the CBI's most persistent and eloquent Caribbean Initiative advocate and spokesman. And I am deeply disappointed that the CBI did not pass the Senate last December. Last week, I sent up to Congress some legislation—on Friday, as a matter of fact—on the CBI as one of our highest priorities. And I'm hopeful that it will pass quickly in this session. The Congress knows this legislation is essential to help the Basin countries cope with economic difficulties not of their own making if their people are to have a better future.

In giving this prestigious award to Prime Minister Seaga, the Freedoms Foundation is recognizing a true friend of people everywhere who desire a better life through freedom and economic opportunity. And for that reason, he is also a friend of the United States.

It's now my great pleasure to present Dr. Robert Miller, the president of the Freedoms Foundation, who will present the American Friendship Medal to Prime Minister Seaga.

Dr. Miller. Mr. President, Mr. Vice President, Mr. Prime Minister, and ladies and gentlemen:

Last November the national award jury met on our campus and selected the 1982 Freedoms Foundation award recipients. At that time, Mr. Prime Minister, it selected

you to receive the highest award that Freedoms Foundation can bestow on a non-American citizen, the American Friendship Medal.

It is my privilege as president of that Foundation, acting on behalf of the jury, the board of directors, and the council of trustees, to present to you the 1982 Freedoms Foundation American Friendship Medal. The citation reads, sir: "For his furtherance of democratic institutions and a free-market economy, and for his courageous leadership in the cause of freedom for all people."

Congratulations, sir.

The Prime Minister. Mr. President, Dr. Miller, Mr. Vice President, members of the Cabinet, Your Excellencies of the diplomatic corps, Honorable Members of the Senate and of the House, distinguished guests, ladies and gentlemen:

I want to thank you, Dr. Miller and Freedoms Foundation, for the honor which you have bestowed on me today. I would, however, like to think of this not as a personal tribute, but as an award based on the friendship that exists between our two peoples.

I am particularly delighted that this award has been associated with the President of the United States whose personal friendship for Jamaica has been translated into many acts of support over the period of the term of office of my administration, acts of support which have helped in no small way to rebuild some of the bridges that had been torn down between our two peoples in a previous time. Notwithstanding this personal dimension, I would like to think of this award as having a wider basis of considerations which account for the broad base of friendship which exists between the Jamaican and the American people.

Historically, we had a good foundation. Our two Founding Fathers were well known and well understood the role of the United States in the hemisphere and the friendship that would naturally exist between our two peoples. Sir Alexander Bustamante, whose own hundredth birthday anniversary we commemorate in a couple of days, was an unabashed friend of the American people. Norman Washington Manley was born on July 4th, and carrying

the middle name Washington, I believe, speaks for itself and I need say no more.

Demographically, one of every four Jamaicans live in the United States, and they find themselves at home here because of the wide range of beliefs and values which they, as a people, share with the American people. Politically, we share a common political system—parliamentary democracy. And this system is based on a common devotion to the principle enshrined in the Declaration of Independence by your own Founding Father—whose 251st anniversary of his birth was commemorated yesterday—George Washington, in the principle that government must exist by the consent of the governed.

We share a common belief that personal reward is the greatest motivation for personal initiative and effort and that by this system we can best make two blades of grass grow where only one grew before. Our peoples share the objective of betterment of self and family as the strongest driving force to build a prosperous society.

There are differences, because we are not clones of each other. But the commonalities far outweigh these differences. And I had occasion on the well-remembered visit of President Reagan to Jamaica to present him with the text of many popular polls that had been taken in Jamaica over the last several years in which issues involving the United States Government or its people were in point. And we recorded with pleasure that in every such instance by the voluntary vote of the Jamaican people in such polls, the affirmative response to the American people and to the United States Government was in excess of 70 percent as a minimum.

I emphasize this point, because too often our friendship is seen and described in terms of the personal relationship that may exist between myself and your President or political expediency without understanding that a people with a broad, common background must independently of each other strike broad common positions in their own common interests. This broad span of natural common interests and common design is bigger than the Prime Minister of Jamaica. It is bigger than the President of the United

States. It is a people thing that is shaped by their own experiences and nurtured by their own voluntary will.

I accept this award of the American Friendship Medal as a custodian of friendship between our peoples, of which the friendship which exists between myself and your President is only symbolic. Like my distinguished predecessors who have received this distinguished award, I am grateful that Freedoms Foundation, which has made this award, is devoted to the recognition of struggles for freedom to make nations free and to honor the strengthening of relations. In our own case, we have had to struggle from destructive forces which tested the full strength of our beliefs. And

in doing so, we have been able to preserve our own country for freedom and democracy.

I accept your award in demonstration of the precept that the quality of freedom cannot be diluted. It is indivisible, whether it is the great driving force which created the nation that today leads the free world or the beacon which guided Jamaica in its struggles to preserve its own foundations of freedom.

Note: The President spoke at 10:02 a.m. in the State Dining Room at the White House.

Prior to the ceremony, the President and the Prime Minister met in the Oval Office.

Remarks at the Annual Washington Conference of the American Legion

February 22, 1983

Commander Keller, honored guests, and fellow legionnaires:

I thank you for that warm welcome and for the high honor that you've bestowed on me. And let me also thank you for the recognition you've given to a distinguished veteran and outstanding legislative leader—my good friend Bob Michel. I can't think of a more deserving recipient than Bob Michel for the Legion's Distinguished Public Service Award. I also deeply appreciate Commander Keller's recent telegram to me committing the Legion's support for our government's efforts to achieve an accounting of our missing men.

It is always a special pleasure and honor to address the national convention of the Legion. Each meeting is more than a joyous reunion of old comrades from days gone by; it's a reminder of those who cannot be here—those who gave their last full measure of devotion so that we and our children could enjoy the blessings of freedom in peace.

This 23d annual meeting here in Washington, my second speech to a national convention of the Legion, is a suitable occasion for taking stock. Back in August of 1980,

when you gathered in Boston, I asked for your help, and the help of millions of other Americans, to reverse a dangerous course America had drifted on for too long. I said then that, together, it was our duty to begin to choose a new road—a road to peace built upon a realistic understanding of our nation's strength and continuing faith in her values. America has chosen that new road. And today I'd like to report on the progress we've made in the past 2 years in our quest for peace and freedom in an uncertain world.

I know of no more appropriate forum than this convention for such a report. When Dwight Eisenhower addressed this body in 1954, he said, "To help keep America strong—to help keep her secure—to help guide her on the true path to peace, there is no group better qualified than you of the American Legion."

In recent days I have received reports from four senior members of this administration who've returned from assignments that took them to the far corners of the globe. Vice President Bush was warmly received in Europe, where he helped clear up many misconceptions about American

policy. Secretary of State Shultz undertook an extensive tour of the Far East. Our Ambassador to the United Nations, Jeane Kirkpatrick, has returned from a mission to South and Central America. And my national security adviser, Bill Clark, reported back from conferences in Europe with our arms control negotiators, Paul Nitze and Ed Rowny.

The reports of all these capable officials have given us a timely survey of the international scene. It's an encouraging one, marking substantial progress since that day in August of 1980 when I asked for and received your help.

The international situation then was truly alarming for all who cared about America and the cause of peace and freedom. Our country was the target for countless political and terrorist attacks all around the globe. In the view of many of our friends, we had become an uncertain ally; in the view of potential adversaries, we'd become a dubious deterrent to aggression. Our position in the U.N. had eroded to unacceptable levels, and our strength as a world power according to every index—moral, political, military, economic—had deteriorated to such an extent that the enemies of democracy and international order felt they could take advantage of this weakness.

The Soviets sent their Cuban mercenaries to Angola and Ethiopia, used chemical weapons against innocent Laotians and Cambodians, and invaded Afghanistan—all with impunity. Perhaps the most degrading symbol of this dismal situation was the spectacle of Iranian terrorists seizing American hostages and humiliating them and our country for more than a year.

How did all this happen? Well, the answer is: America had simply ceased to be a leader in the world. This was not the exclusive fault of any one leader or party, and it will take a truly bipartisan effort to make things right again.

For too long, our foreign policy had been a pattern of reaction to crisis, reaction to the political agendas of others, reaction to the offensive actions of those hostile to freedom and democracy. We were forever competing on territory picked by our adversaries, with the issues and timing all chosen by them. And no one knows better than

combat veterans that once you're on the defensive, you can't go forward. The only movement left to you is retreat.

Some of our opinionmolders had ceased to believe that we were a force for good in the world. They were ashamed that America was wealthy in a world with so much poverty. They rarely, if ever, explained that America's wealth came not from exploitation or mere good luck, but from the hard work of the American people, from risk-taking by American investors, from the creativity of American inventors and entrepreneurs, and a free system of incentives.

Too many of our leaders saw the Soviets as a mirror image of themselves. If we would simply disarm, the Soviets would do likewise. They spent all their time viewing the world the way they wished it was, not the way it really is. And that's no way to protect the peace.

Their approach ignored the central focus of politics—the minds, hearts, sympathies, fears, hopes, and aspirations not of governments, but of people. The 20th century has witnessed and America has led the way in the rising participation of all the people in international politics. Yet, even in this age of mass communications, too many of our leaders ignored this critical dimension.

Too many of our policymakers had lost touch with changing world realities. They failed to realize that to be an effective force for peace today, America must successfully appeal to the sympathies of the world's people—the global electorate. We can't simply be anti-this and anti-that. We can't simply react defensively to the political proposals of others, sometimes criticizing them, sometimes accommodating them, without positive alternative solutions to basic human problems. At bottom, they ignored our responsibility to work for constructive change, not simply to try to preserve the status quo.

Fortunately, the American people sensed this dangerous drift, and by 1980, a national reawakening was underway—a reawakening that resulted in a new sense of responsibility, a new sense of confidence in America and the universal principles and ideals on which our free system is based.

It's not an arrogant demand that others adopt our ways. It's a realistic belief in the

relative and proven success of the American experiment. What we see in America today, in spite of the many economic hardships we're facing, is a renewed faith in the rightness of our system. That system has never failed us. We have failed the system every time we forgot the fundamental principles upon which it was based.

For America to play its proper role in the world, we had to set our own house in order. Our first and highest priority was to restore a sound economic base here at home. We had to put an end to the inflationary spiral which had been scourging this country for years, creating misery among those who have to survive on fixed incomes, destroying long-term capital markets, and mortgaging the future of our children and grandchildren. Then we had to lay the foundation for a recovery which would be based on sustainable growth without unleashing the inflationary monster again on ourselves and the world.

Well, we've achieved our first economic goal, and we're well embarked on the second. Inflation, which was in double digits in 1979 and 1980, was only 3.9 percent in 1982 and, in the last quarter, was down to an annualized rate of only 1.1 percent.

The other essential precondition of a strengthened and purposeful foreign policy was the rebuilding of our foundation of our military strength. "To be prepared for war," George Washington said, "is . . . the most effectual means of preserving peace." Well, it's precisely because we're committed to peace that we have a moral obligation to ensure America's defense credibility.

Now, I realize that many well-meaning people deplore the expenditure of huge sums of money for military purposes at a time of economic hardship. Similar voices were heard in the 1930's, when economic conditions were far worse than anything we're experiencing today. But the result of heeding those voices then was a disastrous military imbalance that tempted the forces of tyranny and evil and plunged the world into a ruinous war. Possibly some of you remember drilling with wooden guns and doing maneuvers with cardboard tanks. We must never repeat that experience.

Now, for two decades the Soviet Union has been engaged in building up the most

powerful military forces in all man's history. During this period, the United States limited its own military spending to the point that our investment in defense actually declined in real terms while Soviet investment was nearly double our own during the decade of the seventies. Neither our limiting or canceling of important weapon systems nor the efforts of a decade's worth of arms control agreements and negotiations have stopped or even slowed the Soviet leadership's pursuit of global military superiority.

Well, 2 years ago, we began the long, tough job of rebuilding America's defenses after those years of systematic underfunding and neglect. And today we're on the verge of putting in place a defense program adequate to our security needs. If we show the resolve to sustain the necessary levels of military spending, and with your support and that of millions of other concerned citizens, we can—we can restore balance and deterrence, and we can better protect the peace.

Now, let me address our foreign policy strategy—some people have said we don't have one. [*Laughter*] One of the first things this administration did was what we believed the American people had demanded of us—namely, to be realistic about the nature of the world and our adversaries and to speak the unadulterated truth about them. Making excuses for bad behavior only encourages bullies and invites aggression.

Pursuing a policy of honesty and realism toward the Soviets doesn't mean the productive relations between our two nations are impossible. What is required for such relations is restraint and reciprocity. Restraint must be demonstrated not only by words but by deeds. We respect international law and the independence of other peoples. The Soviets need only respond in kind.

Fortunately, America is far from alone in its quest for peaceful, prosperous, and humane international order. With us stand our friends and allies, in particular the democracies of Europe, of Latin America, Asia, and the Pacific. With us in spirit also are millions of people in Poland and other Soviet-dominated countries, as well as in

the Soviet empire itself.

I received a snapshot the other day that had been smuggled out of Poland. And I was so proud. It was smuggled out just for the purpose of delivering it to me. It was a picture, a little photograph snapshot of a tiny little girl and a small boy holding a cardboard sign on which was printed things in Polish, and they sent the translation. It said, "Our father is sitting in prison for Solidarity." And the look of sorrow, of pathos on the little girl's face was the most touching thing you can imagine.

Maintenance of our allied partnerships is a key to our foreign policy. The bedrock of European security remains the NATO alliance. NATO is not just a military alliance; it's a voluntary political community of free men and women based on shared principles and a common history. The ties that bind us to our European allies are not the brittle ties of expediency or the weighty shackles of compulsion. They resemble what Abraham Lincoln called the "mystic chords of memory" uniting peoples who share a common vision. So, let there be no doubt on either side of the Atlantic: The freedom and independence of America's allies remain as dear to us as our own.

The Soviets' fundamental foreign policy is to break the link that binds us to our NATO allies. Their growing nuclear threat to Europe, especially since the midseventies, has a political as well as a military purpose, the deliberate fostering of a sense of insecurity among the peoples of Western Europe and pressure for accommodation to the Soviet power.

The ultimate Soviet goal in Europe is to force the nations to accommodate themselves to Soviet interests on Soviet terms. We should all know just what those terms are. We need look no further than the Berlin Wall and the Iron Curtain. The truth is something that we and our NATO allies must not hesitate to use to counter the slurs and threats made against us.

Speaking the truth was one of the primary missions accomplished by Vice President Bush in his recent European trip. He cleared the air of misinformation, indeed, of deliberate falsehoods. He reaffirmed America's fundamental commitment to peace. We're not in the business of imperialism,

aggression, or conquest. We threaten no one. Soviet leaders know full well there is no political constituency in the United States or anywhere in the West for aggressive military action against them.

Vice President Bush reaffirmed our commitment to serious, mutual, and verifiable arms reductions. Our proposal is a serious one. And it represents real arms reduction, not merely the ratification of existing levels of weaponry on both sides.

The Vice President also conveyed my willingness to meet anytime and anywhere with Mr. Andropov to sign an agreement that would eliminate an entire class of weapons from the face of the Earth. And that offer still stands.

Finally, he conveyed our belief that success in reducing significantly the strategic arsenals of both sides depends on continued Allied unity and a determination to face and speak the truth about the threat confronting us.

I have a deep, personal commitment to achieving an arms reduction agreement at the negotiations in Geneva on intermediate-range nuclear forces. We and our allies are in full agreement that the proposal that I have made for the complete elimination of the entire class of longer range, land-based INF missiles remains the best and most moral outcome. We're negotiating in good faith in Geneva, and ours is not a take-it-or-leave-it proposal. Our negotiations in Geneva are premised upon sound principles, supported by all the allies after long and careful consultation.

These principles include: The only basis on which a fair agreement can be reached is that of equality of rights and limits between the U.S. and the Soviet Union. As a corollary, British and French strategic systems are, by definition, not a part of these bilateral negotiations and, therefore, not to be considered in them. In addition, Soviet proposals which have the effect of shifting the threat from Europe to Asia cannot be considered reasonable. And finally, as in all areas of arms control, it will be essential that an INF agreement be underwritten by effective measures for verification.

Now, we view these negotiations as offering the best hope of assuring peace and

stability through the reduction of INF systems. Toward that end, Ambassador Nitze has been instructed to explore in Geneva every proposed solution consistent with the principles to which the alliance subscribes.

Any discussion of alliances, friends, and concerns of the United States must give special attention to Asia. The U.S.-Japanese relationship remains the centerpiece of our Asian policy. Together, the United States and Japan can make an enormous contribution to the economic dynamism and technological progress needed for economic growth and development throughout the world. In Asia itself, we continue to strengthen our partnership in support of peace. Prime Minister Nakasone and I affirmed our commitment to this partnership during his recent visit to Washington. Secretary Shultz' visit to Tokyo underscored it.

Our relationship with the People's Republic of China is another important one, not only for stability and peace in Asia but around the globe. During his visit to Beijing, Secretary Shultz and—many hours of frank and useful discussions with Chinese leaders. The most important thing to emerge from these talks was that, despite our differences, it is clear that both sides value this relationship and are committed to improve it.

As we rebuild our relationship with China, we will not forget our other friends in the area. We are committed to maintaining our relationship with the people of Taiwan, with whom we've had a long and honorable association.

Our ties with the Republic of Korea remain strong, as troops of our two nations jointly protect that divided land against threatened aggression from the north.

Incidentally, I must say, Secretary Shultz went up to the dividing line—the demilitarized zone and met with our troops up there, some of whom were just going out on patrol for the night in that zone. And he came back with such glowing stories of the morale and the esprit de corps of our men there. And I've heard the same from the European theater. We need have no concern about the will and determination of our sons around the world who are representing—[applause].

I wonder if I could take a second—I

didn't intend to do this and I've told it to some other people before. But it's a letter I received from one of our ambassadors in Europe. He had been up in the East German frontier visiting the Second Armored Calvary Regiment. And he spoke glowingly of them. But in his letter he said that when he went to his helicopter, he was followed by a 19-year-old trooper who asked him if he thought he could get a message to me. Well being an ambassador, he allowed as how he could. [Laughter] The kid stood there and then said, "Mr. Ambassador, will you tell the President we're proud to be here, and we ain't scared of nothing?" [Laughter]

In Southeast Asia, the Association of Southeast Asian Nations—ASEAN, as it's called—is cooperating to improve the economic, cultural, and educational growth of that region. Our country has strong mutual ties with ASEAN and its individual members. And the ANZUS Pact with Australia and New Zealand is one of the most significant relationships we have in the world today.

But in many of the important regions of the world, active conflicts take innocent lives, stunt economic growth, and block social progress. The United States has a unique ability and responsibility to work for peace in these regions.

In the Middle East, we're working to convince the peoples of the area that lasting peace and security can only come through direct negotiations, not the use of armed force. A secure and lasting peace for Israel and its Arab neighbors, including a resolution of the Palestinian problem that satisfies the people's legitimate rights, is a fundamental objective of our foreign policy.

We've launched a new initiative designed to accelerate and broaden the negotiation process begun at Camp David. That process fulfilled the principle of exchanging occupied territory for peace between Israel and Egypt. Today, I repeat my call to the Arab world to accept the reality of Israel, the reality that peace and justice are to be gained only through direct negotiation. King Hussein should be supported in his effort to bring together a joint Jordanian-Palestinian team to negotiate the future of

the West Bank, Gaza, and Jerusalem.

We also continue to work for the total withdrawal of all foreign forces from Lebanon so that country can once again be an independent sovereign state. We call on Syria, the PLO, and Israel to withdraw their forces from Lebanon in the shortest possible time. A continued occupation of Lebanon by these forces can only serve the interests of those who wish to undermine the cause of peace.

This administration is prepared to take all necessary measures to guarantee the security of Israel's northern borders in the aftermath of complete withdrawal of the Israeli Army. But peace can only evolve through freely negotiated agreements, not solutions imposed by force.

The world's going through a period of great economic instability, one that poses significant dangers to world security. We and our allies must demonstrate the political courage to cooperate in undertaking the necessary remedies, particularly when these remedies require near-term sacrifices. Never has it been more true that we will all hang separately if we do not hang together.

A key element of our relationship with countries around the world is the economic link that unites us with trading partners. I'll not go into great detail today about the international economic and trade policies. But one point I want to make is that it is and will be our policy to oppose protectionism at home and abroad and to foster the continued pattern of ever freer trade which has served the world so well. And it must also be fair trade.

Closely related to the trade and economic component of our foreign policy is our relationship with the developing world. I'm convinced that the time has come for this country and others to address the problems of the developing nations in a more forthright and less patronizing way. The fact is that massive infusions of foreign aid have proven not only ineffective in stimulating economic development in the Third World; in many cases they've actually been counterproductive. That kind of foreign aid is nothing more than welfare payments on a global scale and is just as ineffectual and degrading.

Our economic assistance must be careful-

ly targeted and must make maximum use of the energy and efforts of the private sector. This philosophy is reflected in the Caribbean Basin Initiative I announced a year ago. Its goal is to combine trade, aid, and incentives for investment into a balanced arrangement that encourages self-help for the people of the Caribbean Basin. Again and again, leaders of these countries have told me that they don't want a handout, only help to improve their own lives by their own efforts.

An important part of such help is exposure to the effective management practices and economic thinking that contribute so much to successful development in the advanced economies like our own. There is no more damaging misconception than the notion that capitalism is an economic system benefiting only the rich. Economic freedom is the world's mightiest engine for abundance and social justice. In our own country it has created more wealth and distributed it more widely among our people than in any other society known to man. Developing countries need to be encouraged to experiment with the growing variety of arrangements for profitsharing and expanded capital ownership that can bring economic betterment to their people.

Of course, economic problems are not the only ones that developing countries must contend with. The volatile combination of poverty with social and political instability makes many of these countries national [natural] targets for subversion by the new colonialism of the totalitarian left. When countries must divert their scarce resources from economic development in order to fight imported terrorism or guerrilla warfare, economic progress is hard to come by. Security assistance, therefore, is an integral part of our aid policy with respect to Latin America and the developing world in general.

We face a special threat in Central America, where our own national security is at risk. Central America is too close to us and our strategic stake in the Caribbean seelanes and the Panama Canal is too great for us to ignore reality. The specter of Marxist-Leninist controlled governments in Central America with ideological and political loyal-

ties to Cuba and the Soviet Union poses a direct challenge to which we must respond. Poverty together with social and political instability make a volatile combination which the new colonialists of the totalitarian left are trying to exploit for their own cynical purposes.

The reaffirmation of democracy in Costa Rica in their elections of last year, the transition from military rule to elected civilian government in Honduras, and the launching of democracy in El Salvador with the successful elections last March prove that we're on the right course. Thanks to this progress, Marxist revolution is no longer seen as the inevitable future of Central America. Democracy, with free elections, free labor unions, freedom of religion, and respect for the integrity of the individual, is the clear choice of the overwhelming majority of Central Americans.

But economic reform needs time to work, and democracy must be nurtured in countries where it doesn't have long traditions. We must ensure that the governments of El Salvador and other Central American countries can defend themselves against the Marxist guerrillas and [who] receive guns, training, and money through Cuba and Nicaragua. The United States cannot and will not allow Marxist terrorism and subversion to prevail in Central America.

At the same time, we will continue, through our own efforts and through supporting efforts by other democracies of Latin America, to explore all possibilities for reconciliation and peace in Central America. But let me make it plain: There we will never abandon our friends, and we will never abandon our conviction that legitimate political power can be gained through competition at the ballot box in free, open, and orderly elections.

Ambassador Kirkpatrick, on her recent trip to Latin America, engaged in extensive consultations with leaders of the region and assured them that we would pursue our common efforts to foster economic development, assist with security concerns, and strengthen the forces of freedom.

Last June, when I addressed the British Parliament, I outlined the all-embracing goal of our foreign policy. I observed that Americans have a positive vision of the

future, of the world—a realistic and idealistic vision. We want to see a world that lives in peace and freedom under the consent of the governed. So far, however, we and the other democracies haven't done a very good job of explaining democracy and free economy to emerging nations.

Some people argue that any attempt to do that represents interference in the affairs of others, an attempt to impose our way of life. Well, it's nothing of the kind. Every nation has the right to determine its own destiny. But to deny the democratic values and that they have any relevance to the developing world today, or to the millions of people who are oppressed by Communist domination, is to reject the universal significance of the basic, timeless credo that all men are created equal and that they're endowed by their Creator with certain inalienable rights.

People living today in Africa, in Latin America, in Central Asia, possess the same inalienable right to choose their own governors and decide their own destiny as we do. By wedding the timeless truths and values Americans have always cherished to the realities of today's world, we have forged the beginnings of a fundamentally new direction in American foreign policy—a policy based on the unashamed, unapologetic explaining of our own priceless free institutions and proof that they work and describing the social and economic progress they so uniquely foster.

History is not a darkening path twisting inevitably toward tyranny, as the forces of totalitarianism would have us believe. Indeed, the one clear pattern in world events—a pattern that's grown with each passing year of this century—is in the opposite direction. It is the growing determination of men and women of all races and conditions to gain control of their own destinies and to free themselves from arbitrary domination. More than any other single force, this is the driving aspiration that unites the human family today—the burning desire to live unhindered in a world that respects the rights of individuals and nations. Now, I'll admit we're wrong when we have to put barbed wire up to keep our people from leaving this country.

Nothing makes me prouder of the country that I serve than the fact that, once again, America leads the vanguard of this movement. So, let's turn off and tune out on those voices which for too long would have us cringing under the weight of a guilt complex.

It is America that has proposed the elimination of an entire class of nuclear weapons from the face of the Earth, that has called for a 50-percent reduction in intercontinental strategic missiles.

It is America that has helped end the siege of Beirut and is effectively working to broaden the Middle East peace process.

It is America that works closely with the American frontline—or the African frontline states, I should say—and our European allies for peace in southern Africa, and that worked tirelessly with both Britain and Argentina to seek a peaceful resolution of the conflict in the South Atlantic.

It is America that encourages the trend toward democracy in Latin America and elsewhere in the world, and cooperates with the Muslim countries and all those who want an end to the brutal Soviet occupation of Afghanistan.

It is America that joins with other free peoples in calling for reconciliation and an end to oppression in Poland.

And, yes, it is America that leads the world in contributions to humanitarian and refugee programs, and to assistance programs to help the less fortunate nations of

the world.

Isn't it time for us to reaffirm an undeniable truth that America remains the greatest force for peace anywhere in the world today.

For all the stress and strain of recent ordeals, the United States is still a young nation, a nation that draws renewed strength not only from its material abundance and economic might but from free ideals that are as vibrant today as they were more than two centuries ago when that small but gallant band we call our Founding Fathers pledged their lives, their fortunes, and their sacred honor to win freedom and independence.

My fellow legionnaires, the American dream lives—not only in the hearts and minds of our own countrymen but in the hearts and minds of millions of the world's people in both free and oppressed societies who look to us for leadership. As long as that dream lives, as long as we continue to defend it, America has a future, and all mankind has reason to hope.

Thank you, and God bless you all.

Note: The President spoke at 11:10 a.m. in the Presidential Ballroom at the Capital Hilton Hotel. He was introduced by Albert Keller, Jr., national commander of the American Legion.

Prior to his remarks, the President was presented with the American Legion's 1982 Distinguished Service Medal by Jack W. Flynt, past national commander.

Designation of Dennis C. Goodman as United States Deputy Representative on the United Nations Economic and Social Council *February 22, 1983*

The President today announced his intention to designate Dennis C. Goodman to be Deputy Representative of the United States of America on the Economic and Social Council of the United Nations. He would succeed Warren Clark, Jr.

Mr. Goodman was Deputy Chief of Mission in Georgetown, Guyana, in 1980–1982. Previously he served at the Department of

State as political-economic officer (1979–1980) and economic-commercial officer (1977–1979) for Northern European Affairs. He was a departmental special assistant, Bureau of Oceans (interest environmental-scientific affairs), in 1976–1977. He served as economic-commercial officer in Madrid, Spain (1974–1976); economic-commercial officer in Reykjavik, Iceland (1971–1974);

economic-commercial officer in Sydney, Australia (1971); and economic-commercial officer in Kingston, Jamaica (1968–1971).

He graduated from Dartmouth College

(A.B., 1960) and Johns Hopkins University (M.A., 1967). He is married, has two children, and resides in Scarsdale, N.Y. He was born April 10, 1938.

Nomination of Steven Roger Schlesinger To Be Director of the Bureau of Justice Statistics

February 22, 1983

The President today announced his intention to nominate Steven Roger Schlesinger to be Director of the Bureau of Justice Statistics, Department of Justice. He would succeed Harry Scarr.

Mr. Schlesinger is currently serving as associate chairman and associate professor of the department of politics at the Catholic University of America in Washington, D.C. He has been with the Catholic University of America since 1977, serving as assistant professor in 1977–1979 and as acting chairman

of the department of politics in 1980–1981. Previously he was with Rutgers University, serving as an associate member of the graduate faculty (1977), as an assistant professor of political science (1973–1977), and as an instructor in 1971–1973.

He graduated from Cornell University (B.A., 1967) and Claremont Graduate School (M.A., 1969; Ph. D., 1973). He is married, has one child, and resides in Silver Spring, Md. He was born March 28, 1944.

Executive Order 12407—Federal Regional Councils

February 22, 1983

By the authority vested in me as President by the Constitution and statutes of the United States of America, and in order to eliminate a mechanism for interagency and intergovernmental coordination which is no longer needed, it is hereby ordered that Executive Order No. 12314, establishing the

Federal Regional Councils, is revoked.

RONALD REAGAN

The White House,
February 22, 1983.

[*Filed with the Office of the Federal Register, 10:33 a.m., February 23, 1983*]

Announcement Concerning the United States Merchant Fleet Shipment of Wheat Flour to Egypt

February 22, 1983

The President today announced that he is directing the Department of Agriculture to require that 50 percent of the wheat flour sold to Egypt under an agreement concluded

last month be carried on U.S.-flag vessels. This action reflects the administration's continued commitment to the maintenance of a strong U.S. merchant fleet. Approxi-

mately 500,000 tons of additional cargo that would otherwise have gone to foreign-flag ships will be transported on ships manned by U.S. crews as a result of the President's directive.

The administration has undertaken a series of initiatives over the past year to strengthen the U.S. merchant fleet. The Department of Transportation and other agencies have cooperated on efforts to reduce the regulatory burden on U.S. shipbuilders and ship operators. The administration has

also supported the maritime industry's efforts to streamline the liner conference structure.

The U.S. maritime industry has been particularly hard-hit by the recession from which our economy is now emerging. The unique circumstances surrounding our competitive sale to Egypt of wheat flour provided an opportunity to ensure that the U.S. merchant fleet will remain a vital force in shipping the products that U.S. farmers grow for the world market.

Question-and-Answer Session With Members of the Sperling Breakfast Group on Domestic and Foreign Policy Issues February 23, 1983

1984 Presidential Candidacy

Mr. Sperling. The first question—I'm taking this question, really, away from Bob Novak. He said, "I bet you're going to take my question, the running question." I said, "Yeah, I'm first. I'm going to take it away from you, Bob." And there you are.

But we had the Republican national chairman at breakfast the other morning—a couple of weeks ago, in fact—and among other things, he said that he very much wanted a signal from you, Mr. President, as to whether you'd be running or not. In fact, he said he needed it very badly. And I just wondered, perhaps, could you help the poor fellow out this morning? A signal whether you're going to run or not.

The President. Well, I think the one thing that we just have to face and, I think, that he should be willing to live with a while, why, there's a 50-percent chance. [*Laughter*]

Mr. Sperling. A 50-percent chance.

The President. Yes.

Mr. Sperling. You can't make it a 51 or something like that.

The President. I'm not that good at mathematics. [*Laughter*]

Incidentally, may I say with regard to the opening remark about that no one eats breakfast; I ate breakfast first, because they told me I'd be answering questions right away. Rules are you can talk with your

mouth full; but go ahead and eat breakfast. It's on the house. [*Laughter*]

Mr. Sperling. Well, I was going to push that a little harder. Can't we get any more on this running bit? This is—

The President. I think—no, I've said repeatedly, I think there is a timing to this. And I think that the people sort of indicate and help in making up the decision. I think to do it too early leaves you open to the charge that everything you try to do is based on politics. And if you say the other way too soon, why, you're a lameduck prematurely. So, I think it's a decision that I will come to and I will make at what I think is the appropriate time.

Mr. Sperling. Well, through the years, for a number of years, Pete Lisagor was right at my right hand, the great reporter Pete Lisagor, and perhaps the best questioner in this city. And about this time he would come in with his question. He'd say, "Well," I'm sure he'd say, "Mr. President, with regard to running again, are you salivating a little bit?" How do you come up to the Pete Lisagor salivating test?

The President. Well, between sweating and salivating—[*laughter*]—it's—some days are just better, and some days are worse than others.

Mr. Sperling. No, with regard to running for the Presidency, is it looking better to you all the time?

The President. Well, the economy's looking better. I'm being crowded on this. But I just—I can't have an answer at this time.

Mr. Sperling. All right.

Lebanon

Q. Mr. President, Rick Smith, New York Times. You said yesterday in your speech that your government was prepared to do everything that was necessary to help secure Israel's northern frontier. What does that mean, Mr. President? Does that involve putting American marines or troops down in southern Lebanon to police that area? Or does that involve some kind of international arrangement? Did you have specific ideas in mind?

The President. Well, yes. This isn't anything different than has been said before by me and by several Presidents before me, that this country has always maintained that it has an obligation to the security of Israel. But in this particular instance, I was answering the question, and I thought I made it plain that I was talking about with the withdrawal—that in the aftermath of that withdrawal, we were prepared to guarantee their safety on the northern border.

Let me recall to you that that was the reason for the invasion in the first place, that there was shelling and rocketing across that border, taking its toll of casualties in Israel. And our idea of trying to settle the Lebanon thing before we get into the actual peace negotiations, I think, is a sound one, after all the years of disruption there, to give the Government of Lebanon a chance to stabilize its country and assume its control and sovereignty over its own territory.

Now, in that instance, I have already said that we, in consultation with our allies in the multinational force, would be prepared until Lebanon was actually stabilized and able to guarantee this safety, that we would be willing to enlarge the multinational forces. This is, of course, in consultation with our allies, as I said before, and, thus, ensure the safety of those borders until this process is completed, until Lebanon is ready to take over the protection of its own borders.

And so, there isn't anything new in that. And I was a little surprised at the wind that

started blowing after I said it.

Q. How much of an enlargement of forces do you have in mind, sir?

The President. What?

Q. How much enlargement of the multinational force do you have in mind?

The President. Actually, we have not dealt in figures yet. That would, I think, have to follow a military review of what the responsibilities would be.

Tax Withholding on Interest and Dividends

Q. Jack Kilpatrick, Universal Press. Mr. President, about 250 Members of the House have sponsored bills to repeal the withholding of the tax on interest and dividends. And more than 50 Members of the Senate also are undertaking to repeal that withholding provision. If that bill should pass, would you veto it?

The President. Well, Jack, I've always kind of held to a rule that until it's—I'll talk about vetoes in general principle. But until it actually gets to my desk, I've always said in the legislative process, sometimes an orange becomes an apple. And I'll wait and make that decision. But I do think that they're entirely wrong. And I think that a great lobbying effort has resulted in much distortion.

First of all, if anyone looks at the withholding that we imposed, it, first of all, protects all those people that they seem to be worrying about at the lower level of earnings. It protects all the senior citizens, everyone over 65. They would not be affected by this.

And it's not aimed in any way at increasing tax, as has been mistakenly reported, on the people that are receiving these interest and dividend revenues. It is aimed at catching the people that are using this device to avoid paying an income tax they legitimately owe. And we have found that that is one of the big parts of our noncollection of taxes that are owed. And this, we figured, was only fair to the people that are going out there and paying their taxes, to see if we couldn't get a handle on those that are avoiding it.

Environmental Protection Agency

Q. Mr. President, Bob Fichenberg, New-

house Newspapers. In view of the increasing criticism of the EPA, some of it now coming from Republicans, do you have any plans, specific plans for improving the performance and the credibility of the EPA?

The President. Well, if it will improve the credibility, one thing, yes, we're—any of the allegations, any of the accusations—and I must say that I haven't found much substantiation accompanying those—but any of those are immediately turned over to the Justice Department, and the FBI is investigating and tracking down every charge that's been made. We have worked out this arrangement now while protecting executive privilege, but at the same time, because of some of these charges, and we want the people to have confidence that they will have access.

The other thing that I've been struck by in all of this—that so little attention has been paid to the fact that from the very beginning, the director of EPA was willing to make available to the Congress almost 800,000 documents, and fewer than a hundred, the tiniest fraction of a percent, were withheld because—and on the advice of the Justice Department also that these were investigative reports and that these were things that could compromise litigation that might take place.

Now, this arrangement, as I say, has been made. But I don't feel that I have the right, in custody temporarily of this institution, the Presidency, to set a precedent that takes away from that institution some of its legitimate rights and functions. And one of those is executive privilege.

Views on the Presidency

Q. Mr. President, I'm Andy Glass of the Cox Newspapers. Picking a convenient reference point like Budge's 15th anniversary breakfast, which would have been very early in your Presidency, and looking back to that time when you had just come here, can you assess in your own mind and your own feelings how you think you've done in these 2 years since—what your disappointments are, what your, perhaps, accomplishments, as you see them—a self-report card, if you will?

The President. Well, a disappointment would be that we didn't get all the things

we asked for in our economic proposals. I think we'd be better off today if we had. But I'm pleased that we got as much as we did.

I've had 8 years experience, almost 8 years, as a Governor, with a legislature of the opposite party. So, I knew exactly what I was up against. But I think the very fact that the debate has changed from people of my persuasion, the Republican Party, fighting rearguard actions trying to slow down the growth of government and halt the imposition of new social engineering programs—the debate today isn't whether to reduce spending; it's how much to reduce it—and I think we've changed the whole tone of the debate that has been taking place over the last few decades. I'm very pleased about that.

But we have made progress. We have sizably reduced the percentage of increase in government spending. You don't come in—I don't think there's any way that you come in and actually reverse spending and come in with a budget of less money than was spent the year before, and certainly not in a time of inflation. But we have brought inflation down.

The last few months it was running at only a 1.1 annualized rate, 3.9 percent for the year, down from double digits. That, in turn, brought down the interest rates. The economy has started to turn. And I've just noticed that Time magazine's whole battery of economists has substantiated that and are referring to the recession as being over.

I think that in that, in the foreign policy we were quite amazed at how much in disarray we were back at the beginning of this administration, what we found with regard to the feeling of our allies, our relationship with Latin America neighbors and our defense posture. And I think there's been a drastic turnaround in that. I don't think relations have ever been better between us and our European allies and Japan. We've made progress—our relations over in Asia—and there's no question about the improvement of our defense posture.

International Summit Meetings

Q. Mr. President, I'm Bart Rowen of the Washington Post. I'd like to ask you, sir, a

question about summits. Secretary Shultz said the other day that there's no—there would be no fixed agenda for the meeting in Williamsburg, that the basic idea is for you and other heads of states to have a chance to have a private meeting, private exchange of ideas together. I'd like to ask you, first, what you expect to accomplish, specifically, at Williamsburg and, secondly, in light of your experiences in Ottawa, Cancún, and in Versailles, whether you think that summitry—is it still a useful tool in the formulation of goals and strategies for governments?

The President. Yes, I do. I have always believed that you only get in trouble when you're talking about each other, not when you're talking to each other. And the reason for this change is because some of the summities became so formalized and, by the time people organizing at the ministerial level had finished their chores, you found that you were actually arguing about the communicate that would be released, summing up what had been done at the summit. And you were talking and arguing about that before the summit had started. And it became very formalized.

Now, we're all in that summit on a first-name basis. And some of us informally talking in the previous summits have talked about why not have a meeting and get around the table and just throw the subjects out on the table, what are the things that are of concern to us, what are the things we think we can do together, and so forth. And so, being the host this time and, therefore, having a voice in that, I communicated with my colleagues in the other countries on that basis. And they were all delighted that we'll come here and—

Yes, there are always points of difference and things that have to be ironed out. But there are also things which we're in great agreement on. So, we're not going to have that kind of a formal agenda. We're going to treat with all the problems that are of concern to all of us, whether they have to do with trade, whether they have to do with our mutual defense posture, all of those things.

Social Security

Q. Mr. President, Ted Knap of the

Scripps-Howard Newspapers. The Social Security Commission recommended that the full retirement age be increased, be raised to 66 after the year 2000, and that legislation be enacted promptly so that—

Mr. Sperling. Ted, we'd like to have you use the mike.

Q. I thought I was.

Mr. Sperling. You have to pick it up to use the—they tell me.

Q. Sorry.

Mr. Sperling. Sorry, too.

Q. The Social Security—is this okay? Can you hear me?

The President. Yes.

Q. The Social Security Commission recommended that the full retirement age be increased to 66 after the year 2000, and that legislation be enacted promptly so that people could plan on that. I haven't heard you express your view on that recommendation. Do you endorse it?

The President. Well, Ted, I have to tell you that from our first attempts to do something about the fiscal integrity of social security more than a year ago and the way in which that was immediately and instantly transformed into a political football, I decided this time to make a fair catch and then just fall on the ball.

We have approved the bipartisan commission report for the immediate fiscal problem. We do know that there is now the long-range problem that has not been completely solved. And, rather than make a specific answer there, let me say that we know and are going to be ready to go into, again, study and, hopefully, as bipartisan as this first agreement, as to how we meet that long-range, actuarial imbalance. Now, I'm convinced that things like that—extending the age—will be under consideration. No decisions, of course, have been made, and I think it'd be wrong for me in advance of any such negotiations to start talking about them.

But I think there's a great deal of logic in something of that kind, when you stop to think that when social security started—and quoting the man who created it, who's in his nineties now and who recently had a full-page statement in the Washington Post, that he was revealing the mistakes that they

had made in the beginning. And one of them was that longevity was so much less than it is now that they didn't think very many people would get to the age 65 to claim their social security payments. Well, we know how much we've improved in longevity, and I think that it's only right that we should look at that. Is 65 now a proper age when we legally have turned to the age 70 as now a legitimate age for retirement?

Environmental Protection Agency

Q. Mr. President, Pat Furgurson of the Baltimore Sun.

Mr. *Sperling*. Use the mike. Pick it up, please. We can't hear up here.

Q. Pat Furgurson of the Baltimore Sun. To return to the EPA, which is such a hot subject now, there are some suggestions and some bills being formulated on the Hill to remove the EPA from partisan politics by putting it under supervision of an independent commission similar to other regulatory commissions. What is your reaction to that idea?

The President. My reaction is that it's the wrong way to go. I think that the more government is in the hands of elected representatives of the people and the less it is in the hands of appointed and bureaucratic, permanent structure of government, who are not beholden to the voters and not held responsible or can't be held responsible by them, I think that we improve. I believe that some of the things that are being suggested are part of the same age-old battle between the branches of government, in which the legislative seeks again to reduce some of the rights and powers of the Presidency.

Now, in the overall question of the EPA and what is at issue, it seems to me that once again we're falling in—as I said the other night in the press conference—to that trap of running as if the sky is falling, just on the basis of accusations, without waiting to see if there is merit in the accusation or if there is any substance back of it. The EPA has, in truth, done a fine job. We came in and found a backlog, for example, in air pollution—violations of hundreds of cases. That backlog has been totally eliminated now and a solution found for those problems.

I mentioned earlier the number of documents that we were willing to make available; the fact that we have turned anything that has to do with a charge or accusation over to the Justice Department or the FBI for investigation; and my own statement that I would never employ executive privilege to try and cover up any wrongdoing. So, I think that they're getting way ahead of themselves in what they're suggesting with that kind of a measure.

Arms Control and Reduction

Q. Mr. President, Joe Kraft, Los Angeles Times Syndicate. In your speech to the American Legion, you set forward four principles that would govern this country's approach to the Intermediate-range Nuclear Force negotiations in Geneva. Do those principles in any way conflict with the proposals or ideas advanced by Ambassador Nitze,¹ and if so, how?

The President. No, because from the very beginning, before the Press Club when I made the first proposal about our INF policy and our desire, our goal to try and get zero option, total elimination of that class of weapons and wipe them out of the world, I also said then and have reiterated it many times that we, on the other hand, were going there to negotiate and would negotiate in good faith on any reasonable proposal, any legitimate proposal that might be presented. And we're still willing to do that.

We still believe that the morality of the position we first took, that that goal should be the ultimate goal for all of us, to get rid of the most destabilizing weapons in the world, interballistic missiles—or ballistic missiles, I should say, of an intermediate range, in which in a matter of just 5 to 7 seconds are zeroed in on virtually every target in Europe, but only from one side.

Now, so far, the Soviet Union has seemed to want to continue its monopoly, that they have shown evidences of being willing to reduce to a certain extent their weapons, but in return for that, we would have to

¹ Paul H. Nitze, U.S. Representative to the Intermediate-range Nuclear Force negotiations.

remain at zero. I just think this is a threat that we can't tolerate.

Q. My followup. Does that mean, sir, that the Nitze proposals, as far as this government is concerned, are still in play? (A) And, (B), in view of the distinction you've just made between short warning and more lengthy ones, do you make a distinction between the Pershings, that are in our original proposal, and the cruise, which take longer to arrive?

The President. Well, there's a very great difference between the two weapons. One of them takes several hours to get where the other gets in several seconds [minutes]. But I'm not sure, Joe, that I understand just what proposal you're referring to from Nitze.

Q. Paul Nitze, I believe, went for a walk with the Soviet delegate and aired a fairly—it's now been aired pretty widely—a proposal that I think is not in conflict with the four principles you enunciated. And my question really goes to the issue of whether, from your point of view, the Nitze proposals are still alive.

The President. The only thing that I—no, he referred to us a hint that had been dropped by the man he walked in the woods with, but nothing that he had said back. And that proposal from the other side was an indication that they might look more kindly on cruise missiles than on the Pershings. Well, again, I don't think cruise missiles alone would be a deterrent to the SS-20's.

Views on the Presidency

Q. Mr. President, Bob Thompson of the Hearst Newspapers. About 3 weeks ago your two most recent predecessors, Mr. Carter and Mr. Ford, got together out at Grand Rapids. And they took issue with your proclivity for condemning everything that happened before you got to the White House and blaming them. I have two parts to this. First of all, do you think you blame them too much? Are you ready to stop that? And, number two, are you ready to take responsibility after more than 2 years for what now goes on in this nation, economically and socially and whatnot?

The President. Well, I'll take responsibility for the fact that the interest rates have

come down, inflation has come down, the economy is turning around, the housing starts are up to a figure that they haven't been since 1979. I'll be very happy to take responsibility for that.

I have pointed out at times that those people that say that my economic proposals were responsible for everything that happened from January 20th on—well, you come into office well into the fiscal year with a budget you inherited from the previous administration. There isn't anything, other than we did manage with some management improvements to whittle down by a few billion dollars the budget we'd inherited, the spending proposed. But the economy falling off the cliff, which I think was a continuation of a recession that started in 1979, took place in July. Well, even the first phase of our economic proposals did not go into effect until October 1st. I hadn't even signed the legislation yet when the economy fell in that hole.

Incidentally, let me correct one thing. I find that, while it was indicated that—and there was agreement on some things between the two gentlemen—Mr. Ford was not a party to the statement about my blaming the previous administrations. In fact, he himself is quite outspoken about the fact that, when he was seeking reelection in '76, that the Carter administration invented the misery index, which came about from adding unemployment to the rate of inflation. And his statement was that no man with a misery index of 12½ percent had a right to run for the Presidency. But when I ran for the Presidency, Mr. Carter's misery index was up to 19½. And we have now brought it down somewhere in the vicinity of what it was back in 1976, before he took office.

But I'm trying to get along and to be bipartisan, but I think that it's only fair, when you're accused of being responsible for 21½-percent interest rates and they were that high before you got here, that you point that out.

Q. Has Mr. Ford talked to you personally about the situation?

The President. We frequently are in touch and have conversations, yes.

Monetary Policy

Q. Robert Novak, Field Syndicate. Mr. President, after 2 years in office, do you think now, based on your experience in office, that it is, first, desirable and, second, feasible to restore the gold standard while you are President? [*Laughter*]

The President. I wish I had an answer on that. I must say that is, in economic circles, I know, is one of the great debates that will go on and on. You can point back to history and show that fiat money has never been successful, and in reality, that's what we have is fiat money now. We've had a study that's been going forward on that, and there are many variations of what could be done in partially, let's say, getting metallic money back in circulation.

I can't give you an answer on that, because, as I say, it's something that we're all of us looking at and wondering about. There does seem to be more sentiment against it in this modern day than there is for it.

Q. Could I ask you if you think it would be a good idea, well short of that, to summon an international monetary conference in the near future to discuss the swings in exchange fluctuations and the other difficulties in the financial—international financial structure?

The President. Well, Bob, in that informal structure at Williamsburg, who knows? That may come up.

Q. You would not favor a special international monetary conference beyond that?

The President. That's what I mean, the subject of that, of whether to do such a thing might come up.

Q. Oh, I see.

The Middle East

Q. Mr. President, Jack Nelson of the Los Angeles Times. Some defense officials have expressed concern that the buildup of Soviet missiles in Syria might provoke Israel into making what they would consider a preemptive strike. And now Moshe Arens, the new Defense Minister of Israel, has said that he considers it to be a very unpleasant situation and that if Israel does determine that there's a mortal threat, they would not rule out making a preemptive strike, as they have in the past. I wonder if you share

that concern and if the United States is looking at anything that might help address the question of whether there is a military imbalance caused by this missile buildup?

The President. I don't think that anyone can make a claim of a military imbalance. I think the Israelis have proven very much their own military capability in that area. But, yes, it is an alarming situation, all of what's going on. And I think that what we have proposed and what we're trying to accomplish is the answer to it: Get all the foreign forces out of Lebanon, and then immediately proceed with peace negotiations. And we have been working with the Arab nations; we've been working with the Israelis. We believe that the time is now, that there is a feeling on the part of everyone there that peace is the answer to the problems in the Middle East.

Q. Mr. Arens suggested, Mr. President, that there should be no timetable on withdrawal of troops. Do you agree with that?

The President. No, I don't agree. I think time is not on our side in this. And I believe there's no reason why—with the proposals that we've made that the PLO remnants that are still in Lebanon, the Syrians, and the Israelis—why they can't get out of that country—of Lebanon, and let the Lebanese Government try to reestablish itself and establish sovereignty over its own land.

Q. May I follow up one more time? Do you think this should be done, in other words, before a peace treaty is reached between Israel and Lebanon? And do you think there should be a specific deadline that you might mention?

The President. I think that to wait for a peace treaty for the withdrawal of forces is wrong. And I think that that can come about and, I think, full normalization. I think there can be an agreement, an informal agreement there about what they're going to do with regard to withdrawal and the terms of the border. And, as I say, our own willingness then to help in ensuring that there can't be incidents across that border is enough—and then settle down to the business of full, formal normalization with Lebanon. But the longer we delay in this, the more we endanger the possibility of moving on into the general peace discus-

sions.

International Monetary Fund

Q. William Ringle from Gannett Newspapers. Mr. President, in your budget you asked for \$5.8 billion for the International Monetary Fund. And this has—

Mr. Sperling. Pick up your mike. That's the only way they're going to listen to you.

Q. I guess it's dead.

The President. No, now it's on.

Mr. Sperling. Pick it up like this.

Q. Oh.

The President. Very directional.

Q. You asked for 5.8 billion for the International Monetary Fund, and this has been widely criticized as a bailout for the Western banks. And I wondered how, in a time of recession and unemployment, you're going to sell this to the Congress and to the American public?

The President. Well, in reality it's not the actual putting up of eight-and-a-fraction billion dollars, \$8½ billion; it's a kind of a bookkeeping arrangement in which you have made this amount of a guarantee. But in the IMF, in return for that, you have drawing rights in that amount on the IMF.

The IMF—it's not a bailout—the IMF is serving a very useful purpose in this time in which the whole world, the international banking situation is walking a tightrope. The IMF makes kind of short-term, brief loans to enable countries to get hold of their own financial situation again and not have to come to the point of defaulting on their loans. And it's served a very useful purpose. So, I think if the people understood properly that this isn't \$8½ billion cash that we're going to take out of our funds or add to a deficit—this is a kind of paper transaction underwriting a guarantee.

Natural Gas Decontrol

Q. Mr. President, Allan Cromley, Daily Oklahoman. I'd like to ask how high on your agenda is decontrol of natural gas. And, then, at the risk of sounding like a shill of the oil and gas industry—[laughter]—particularly in this group—I'd like to ask why, in your quest for fairness, in the State of the Union message did you single out one industry, that is, the energy industry, for your—to solve the budget deficit as

a standby measure?

The President. Well now, I'm trying to recall what words I said about that. I've made a lot of speeches since that one. I don't think I singled it out for any other purpose than that energy is directly related to your industrial capacity, your industrial output.

As to the agenda of natural gas and decontrol, we are in consultation with leaders on the Hill and people in the committees that have to do with that, the energy committees, because when you look at the record of what decontrol of oil did when—I do recall that there was a great deal said about gasoline prices going to \$2 a gallon if we decontrolled, and now everyone seems to be distressed because they're below a dollar.

But we've got a—the natural gas controls are so complex that there are probably 28—as many as 28 different pricing classifications, and they were supposed to protect the consumer. But we've had horrendous increases in the price of natural gas under this control. And we are looking very seriously at and, as I say, meeting with the people on the Hill to see if decontrol with protection, real protection for the consumer, is not the answer that we should be seeking right now.

Inflation and Unemployment

Q. Mr. President, Jack Kole of the Milwaukee Journal. In your economic report a few weeks ago—

Mr. Sperling. Mike—grab the mike, please. You have to stick it in your face, I'm sorry.

Q. In your economic report a few weeks ago, you said that high unemployment was a necessary price that had to be paid for wringing the inflation out of the economy. Now, I don't remember that you talked about that kind of pain when you ran for President in 1980. In fact, I think you talked about restoring the jobs that had already been lost at that time. And I wonder, sir, if you would concede that, in fact, you were at least slightly overly optimistic in your 1980 campaign?

The President. No, in the 1980 proposals that I made during the campaign for the

economic program that we later put in effect, that was based on all the economic projections that we could get from the best people in that field. By the time of the election and before the Inauguration, economic conditions had so worsened that what I had said in October was no longer appropriate. So, we adjusted and in '81, in office, proposed the plan again. And then came the recession, which I don't think—the added recession, I should say. I still refuse to say that we've had a separate recession, '79 and '80, and another one in '81. It's the same recession.

I think that what happened was that pulling the string on the money supply for the first several months of 1981, maintaining the high interest rates, just continued what had already started, which was the almost closing down of the automobile market and housing—either one of which can start a recession all by itself. And so, we had this increased unemployment. But remember, unemployment had been increasing for a long period of time.

I, myself, referred to it when—in the campaign in some of the towns in Michigan. Unemployment from Detroit to Flint and so forth was ranging anywhere from 18 to 20 percent. In a city in Indiana, dependent on the automobile industry, it was more than 20 percent. And, of course, steel and the associated industries from that and housing, from the sheer inability of people to buy a car on time or to get a mortgage for a house—all, then, the associated industries were beginning to grind down and lay people off. No one that I know of projected that severe slump that took place in July. And about 50 percent today of the anticipated deficits is due to that slump.

We think, and there are a great many people outside—we're going to stick with our conservative proposals for recovery and hope we'll be happily surprised. But almost every economic authority, every one who reads the signs, believes that recovery is going to be better than we projected. But to suggest that you deliberately created unemployment to lower inflation just isn't true. And, frankly, I'm not sure that anyone has really established a solid connection between unemployment and inflation.

Defense Facilities; Soviet ICBM's

Q. Mr. President, Ed Prina of Copley News Service. I have a two-part question in connection with defense.

Senator Tower recently has written to his fellow Senators asking them to nominate bases to be closed in their States and/or contracts to be aborted for defense work in their States. As far as I know, only Dale Bumpers of Arkansas, who doesn't want a nerve gas plant in his State, has responded. My question: Have you had any volunteers from either the Senate or the House in this connection?

And the second part of the question, also on defense: Can you tell us anything about the recent testing of Soviet ICBM's, one of which may have been in violation of SALT II?

The President. Well, in the first place, with regard to the Representatives and the Senators and their areas: No, I haven't had any volunteers. I think that John Tower thought that was probably a very good idea, since some of the loudest squawkers against defense spending seem to squawk just as loudly if you suggested that the reduction of some of that spending in their particular district might take place. And I thought it was a good idea that he proposed and make them look realistically at what they were proposing.

With regard to the SALT II treaty, this was one of the objections, I think, that the Senate had that prevented them, under the previous administration, from ratifying that treaty; that it was so ambiguous and that it could best be described as a legitimizing of a continued arms buildup on both sides. But there have been hints and, yet, so far and up until this last case—and I don't have a full answer on that one yet—it would have been very difficult. You could say, "I'm convinced that these are violations," but it would have been very difficult to find the hard evidence to make it hold up in court. This last one comes the closest to indicating that it is a violation.

But there's no question that, while there was a kind of an informal agreement that, since the treaty had not been ratified but was still in existence there, having been signed, that both sides would agree in good

faith that they would observe the things that they had arrived at in that treaty. This one, I think, makes it plain: The Soviet Union has really continued its buildup. As a matter of fact, in the INF thing that we talked about earlier, while they came to the table to talk to us about the reduction of intermediate-range weapons, they continued right on schedule adding to their weapons all the time that these negotiations have been going on. They now have 342.

Interest Rates

Q. Mr. President, Gary Schuster from the Detroit News. Are you of the same mind that Fed Chairman Volcker is that interest rates from here on out should be reduced or should be controlled through the redefinition of money supply—M1, M2? Or do you feel that interest rates should be brought down another percent or two by the Fed—discount rate?

The President. Well, I know that they're very concerned, the Fed, about the road they're walking and how narrow it is and if they give a wrong signal or a signal that might be taken wrong out in the financial markets, that they might in some way set back this recovery which, they agree, is taking place. I believe that with inflation at the level it is, that interest rates can come down more and should, because it leaves the real interest rate higher than is necessary to cope with inflation. And I must say, on the other hand, though, that the Fed has been cooperating. We've been getting along very well after some violations.

Now, what he might have been referring to about M1 and M2 was this recent figure that looked like a big surge in the money supply, and it really wasn't. But it was due to some of the changes in banking practices that had suddenly seen a flood of money go from money funds over into banking and suddenly loom as a great increase in M2. And it really wasn't. And, fortunately, the money markets—there was a tremor, and he thought maybe they were going to panic and think, "Oh, here we go again on another one of those roller coaster rides." But they didn't, and they evidently read it correctly.

Q. You say that the interest rates should come down and can come down. Or do you

think they will?

The President. Well, this is up to the banks. They're the ones in the Fed. We have a low discount rate. And there's no reason, I don't think, why the banks could not bring those interest rates down another notch or two.

U.S.-Soviet Summit Meeting

Q. Earl Foell, Christian Science Monitor. Mr. President, if one follows the logic of your answer to Bart Rowen earlier about Williamsburg, you ought to be looking at a summit somewhere along the line of Mr. Andropov, in terms of talking with him rather than about him. One, do you think it's conceivable you will be having a summit meeting with the Soviet leader in your first term? And two, if so, what are the preconditions? Mr. Bush has mentioned one, which seems to be unacceptable. Do you have any others in mind?

The President. Well, always talk about whether I'm reluctant or not. I tried to achieve a meeting with Brezhnev on the basis that he would be coming to New York on the disarmament session of the United Nations. And I guess we know now that he wasn't traveling, anything of that kind because of his health. Other reasons were given as to why he couldn't come to New York. And Mr. Bush stated to our allies in Europe my willingness to meet with Mr. Andropov on one subject—anytime, anyplace.

I think that a summit meeting isn't something that you just, like at Williamsburg, say, "Let's sit down at the table and talk." I think this is different. I think you have to have an agenda and some things to talk about, because you do raise a lot of hopes and expectations in such a meeting.

And we're in communication all the time with the Soviets. It isn't as if there's silence between the two of us. And when and if the time is right and there's some reason to meet, I'm very willing to meet with him.

Q. What factors would make you think the time is right?

The President. Well, right now, I think the ball is a little bit in their court. I think that we need some deeds, rather than words, to indicate that there is something to

negotiate, that we could have a meeting and discuss some of the differences between us. These could be on any one of a number of subjects.

We made a move in their direction when I withdrew the grain embargo. But there has been nothing in return that shows that they are willing to make some changes in some of the things that are disturbing to us.

Federal Reserve System

Q. Ken Bacon of the Wall Street Journal. Mr. President, I wanted to follow up on the question of interest rates. Do you think that the Fed should force interest rates down, or they will fall under current Fed policy now?

The President. I think that the policy the way it is right now—that the banks could do this. We've come down from that 21½ to an 11-point prime. The discount rate is lower than that. But I think it is up to the banks. And I don't know of what the Fed could do to force that. They can't give orders.

Q. Just to follow up, you seem satisfied then with Federal Reserve policy now. I wonder if you could tell us what sort of political and economic considerations you'll look at when you decide whether to reappoint Mr. Volcker as Chairman or to put somebody else in that job. I know you can't tell us what you're going to do, but if you could tell us your framework for approaching that question, it would be helpful.

The President. I have to be honest with you and tell you that I've had too much on my plate to even be thinking about that at this time.

Arms Control and Reduction

Q. Well, I'd like to follow on the arms control. You mentioned the four principles on which you'd negotiate and everything. If you were a betting man, Mr. President, would you bet that there would be some sort of compromise agreement this year as a result of the talks with the Soviets?

The President. I think that there might be some loosening of the Soviet attitude as we get closer to the day of deploying our intermediate-range missiles in Europe.

The Middle East

Q. Mr. President, last September you talked about perhaps restoring the West Bank to Jordanian sovereignty in some sort of federation. Prime Minister Begin rejected that immediately. Last night, in your speech to the American Legion, you talked about the legitimate rights of the Palestinians, which is also a concept that Israel rejects. I just wonder what are your plans for a meeting with Israeli leaders in sorting out where it is you want to go in the Middle East?

The President. Well, we have, as you know, Ambassador Habib² and others over there who are working with them in these negotiations. And I'm prepared to do anything that will help bring them along.

I don't take too seriously the statement of positions in advance of negotiations. Everyone wants to preserve their position at their highest price before negotiations, and for them to do otherwise is to give away something they might not have to give away once the negotiations start. So, I think we have to wait until they get at the table.

I think the recognition—and I've stated—that the Palestinian problem has to be a factor in the solution. We cannot go on—that's been the biggest problem now for a number of years—we can't go on with these people in not providing something in the nature of a homeland. On the other hand, no one has ever advocated creating a nation. And so, I just believe that, as I say, that you wait until you get to the table.

And what is the stake for Israel? The stake is security. Can they go on forever living as an armed camp? Their economy's suffering. They have 130-percent inflation rate. And they're having to maintain a military presence that is out of all proportion to their size as a nation. And so, the greatest security for Israel—and this is what's back of our plan—is to create more Egypts, more nations, more neighbors that are willing to sign peace treaties with them.

Now, Israel proved its willingness to negotiate and to comply with things that certainly weren't appetizing to them—in the

² Philip C. Habib, the President's Special Representative for the Middle East.

giving up of the Sinai with Egypt. Well, what we're looking to is the same kind of relationship with most of their neighbors. Maybe not all the Arab States will be moderate. Maybe some of them will still continue to be holdouts. But I believe there's real evidence that the more moderate Arab States do want a peace, and this would involve recognition of Israel's right to exist.

Mr. Sperling. We only have a couple of more minutes. A quick one, Larry.

Q. Mr. President—[inaudible]—follow up just briefly.

Mr. Sperling. Well—

Q. Do you think that there is a danger or an intention while these talks are in the offing—that there is a danger or an Israeli intention simply to absorb the West Bank?

The President. Danger—you're not coming through the box here.

Q. Do you fear that there is a danger or an Israeli intention to absorb the West Bank while a stall goes on about these talks?

The President. I don't know whether they have the means to totally absorb the West Bank at this time, but I think that there's evidence that they've wanted to strengthen their hand somewhat, knowing that this would be a part of the coming negotiations.

Mr. Sperling. All right, Larry, a quick one. We only have about a minute or two.

Times Beach, Mo.

Q. Mr. President, Lawrence O'Rourke of the St. Louis Post-Dispatch. I'd like to ask you about your administration's decision to buy up the dioxin-tainted property in Times Beach. What was your reason—what were your reasons for approving that purchase, and what is your sense of whether you are creating a precedent should similar situations arise in the future?

The President. Well, I think this is an unusual situation there. We have taken more than—from locations more than 300—more than 300 locations these samples. We've augmented the number of laboratories that were checking them and have come up with the findings that there is no question about the hazard for people that are living there. And we are going to go forward with a cleanup, which will take a long time.

But in the meantime, we, the government, for their safety, ordered their people

out of their homes. And some businesses are literally destroyed, local businesses there, because of this creating of a ghost town. I think that it was one of the only fair things to do.

Q. Does it create a precedent, Mr. President, for future situations?

The President. Well, if all of the factors came together as they did in that one community, possibly it did.

Mr. Sperling. Mr. President, we're at 10 o'clock. I've seen at least a half a dozen other hands. But I understand you have to leave at this moment.

I tried to be fair. I called them as I saw them. [Laughter] I left some people out. Please forgive me; please forgive me.

Q. [Inaudible]—great job.

Mr. Sperling. Well, I want to thank you, Mr. President, for giving us this hour. And anytime you want to come over and have bacon and eggs over at the Sheraton-Carlton, just let us know. We'll make room. Thank you so much.

The President. Well, I thank you, and I thank you all for coming. And I know exactly how you feel. I know you're a veteran at this, but this is the way I feel after every press conference. All that haunts me are the number of hands that were up that I wasn't able to recognize.

Mr. Sperling. It never bothers me if you'll just call on me. That's—[laughter]. I understand.

The President. But that's what everyone says.

Mr. Sperling. I know, I know. [Laughter] I know. Well, thank you so much, sir.

The President. All right. You bet.

Mr. Sperling. Appreciate it.

The President. Well, happy to have had you.

Note: The exchange began at 9:04 a.m. in the State Dining Room at the White House. The President hosted the breakfast to mark the 17th anniversary of the weekly sessions, begun by Godfrey Sperling, Jr., of the Christian Science Monitor, which bring together Washington officials and journalists for exchanges on current issues.

Nomination of Peter H. Raven To Be a Member of the National Museum Services Board

February 23, 1983

The President today announced his intention to nominate Peter H. Raven to be a member of the National Museum Services Board of the Institute of Museum Services, National Foundation on the Arts and the Humanities, for a term expiring December 6, 1987. This is a reappointment.

Mr. Raven is currently serving as director of the Missouri Botanical Garden in St. Louis, Mo. In addition he serves as Engelmann Professor of Botany, Washington University, St. Louis; adjunct professor of biology, St. Louis University; and adjunct pro-

fessor of biology, University of Missouri, St. Louis. He is vice president and president-elect of the American Institute of Biological Sciences and has been on the executive committee of the American Association of Museums since 1980.

He graduated from the University of California at Berkeley (A.B., 1957) and the University of California at Los Angeles (Ph. D., 1960). He is married, has four children, and resides in St. Louis, Mo. He was born June 13, 1936.

Appointment of Glen T. Urquhart as a Member of the National Capital Planning Commission, and Designation as Chairman

February 23, 1983

The President today announced his intention to appoint Glen T. Urquhart to be a member of the National Capital Planning Commission for a term expiring January 1, 1989. He will succeed T. Eugene Smith. Upon his appointment, he will be designated Chairman by the President.

Mr. Urquhart currently serves as president of Walker, Urquhart & Co., a real estate consulting and development firm he

founded in 1975. He was finance and management officer for Victor Wilburn & Associates, urban planners and architects, in 1972-1974.

Mr. Urquhart graduated from the University of Virginia (B.S., 1970). He is married, has four children, and resides in McLean, Va. He was born November 10, 1948, in Pittsburgh, Pa.

Remarks at the Presentation Ceremony for the Presidential Medal of Freedom

February 23, 1983

One of the greatest privileges and the most distinct pleasures of my job is the duty that I perform today, awarding our nation's highest civilian honor, the Presidential Medal of Freedom.

This medal is given to those who have risen to pinnacles of achievement in their fields. It's a recognition of their accomplish-

ments, hard work, and dedication for America and for humanity. The recipients of this award have touched all our lives with their contributions, strengthening the fabric of our society and improving the quality of our life.

The men and women that we honor today come from across our land—some,

children of immigrants; some, immigrants themselves; many from humble beginnings. But they all share a quality that Carl Sandburg once summed up so well when he wrote, "Man is born with rainbows in his heart."

These men and women never lost sight of them, living out their dreams in their adult lives. We call their award "The Medal of Freedom," because only in a free society such as ours do we have the opportunity to climb as high and go as far as our dreams, talent, and energy will take us.

I'm reminded of the scene that took place in Washington the first summer that I was here as President. It was evening on Memorial Day, and the National Symphony was giving the traditional free concert on the West Lawn of the Capitol. As a backdrop, the Capitol dome was lighted and stood out dramatically against the clear night sky with our flag waving over it. And Maxim Shostakovitch was conducting his first concert since leaving the Soviet Union. And after a standing ovation from the audience, Shostakovitch spoke quietly and with measured eloquence. "Today," he said, "for you and me is a great day. For you it is a great national day, and for me, I'm happy twice—to play for you and to be free."

Well, I know the 12 men and women we're about to honor understand how Shostakovitch felt. With their talent and with the freedom of our way, the life that was given them to use it, by working and living among us, they've broadened and enriched freedom for us all. We're proud and grateful they're Americans.

Now, let me read the citation, and I will present the medal to each one.

[As the President called each name, the recipient or the person accepting for the recipient went to the podium to receive the medal and remained standing behind the President. The President read the citations which accompanied the medals. The texts of the citations are printed below.]

George Balanchine. Accepting the medal for Mr. Balanchine is Suzanne Farrell, principal dancer of the New York City Ballet and his student.

The genius of George Balanchine has enriched the lives of all Americans who love the dance.

Since he arrived in America as a young man in 1933, he has entertained and inspired millions with his stage and film choreography. Major among his greatest contributions as a ballet master are the founding of the first American classical ballet company, the great New York City Ballet, and the School of American Ballet. Throughout his career Mr. Balanchine has entertained, captivated and amazed our diverse population, lifting our spirits and broadening our horizons through his talent and art.

And the next is a posthumous award to Paul W. Bryant, and Bear Bryant's granddaughter, Mary Harmon Tyson, will accept the medal on behalf of her family.

In many ways, American sports embody the best in our national character—dedication, teamwork, honor and friendship. Paul "Bear" Bryant embodied football. The winner of more games than any other coach in history, Bear Bryant was a true American hero. A hard but beloved taskmaster he pushed ordinary people to perform extraordinary feats. Patriotic to the core, devoted to his players and inspired by a winning spirit that never quit, Bear Bryant gave his country the gift of a legend. In making the impossible seem easy, he lived what we all strive to be.

James Burnham:

As a scholar, writer, historian and philosopher, James Burnham has profoundly affected the way America views itself and the world. Since the 1930's, Mr. Burnham has shaped the thinking of world leaders. His observations have changed society and his writings have become guiding lights in mankind's quest for truth. Freedom, reason and decency have had few greater champions in this century than James Burnham.

And I owe him a personal debt, because throughout the years traveling the mash-potato circuit I have quoted you widely. *[Laughter]*

Dr. James Cheek:

As the president of one of our country's greatest institutions of higher learning, and as an outstanding black American scholar, James Cheek embodies the spirit of excellence in education. Dr. Cheek's distinguished career and community work are impressive testimony to his commitment to his calling and his country. His efforts have helped to build a better life for black Americans and a better country for us all.

R. Buckminster Fuller:

A true Renaissance Man, and one of the greatest minds of our times, Richard Buckminster Fuller's contributions as a geometrician, educa-

tor, and architect-designer are benchmarks of accomplishment in their fields. Among his most notable inventions and discoveries are synergetic geometry, geodesic structures and tensegrity structures. Mr. Fuller reminds us all that America is a land of pioneers, haven for innovative thinking and the free expression of ideas.

Reverend Billy Graham:

Reverend William "Billy" Graham's untiring evangelism has spread the word of God to every corner of the globe, and made him one of the most inspirational spiritual leaders of the Twentieth Century. As a deeply committed Christian, his challenge to accept Jesus Christ has lifted the hearts, assuaged the sorrows and renewed the hopes of millions. Billy Graham is an American who lives first and always for his fellow citizens. In honoring him, we give thanks for God's greatest spiritual gifts—faith, hope, and love.

And, Billy, I'm going to have to tell them something that you told me, because with all of this, too, there is a practical side of life. Reverend Graham was in the Soviet Union, and invited by a bureaucrat of that governmental structure to lunch, and found himself faced with a lunch, as he described it, that was more magnificent and more of a gourmet type of thing than he had ever seen—caviar that wouldn't stop and every other thing that you could eat. And he couldn't resist saying to his host, "But how can you live this way, do this, when there are so many people out there in your country that don't have enough to eat, that are hungry?" And the man said, "I worked hard for this." And, God bless him, Billy Graham said, "That's what the capitalists say." [Laughter]

Lili Osborne will accept the medal on behalf of Eric Hoffer.

Eric Hoffer:

The son of immigrant parents, Eric Hoffer is an example of both the opportunity and the vitality of the American way of life. After overcoming his loss of sight as a child, Eric Hoffer educated himself in our public libraries. As an adult he has relished hard work and believed in its dignity, spending 23 years in jobs ranging from lumberjack to dockworker. As America's longshoreman philosopher, his books on philosophy have become classics. Mr. Hoffer's spirit, self-reliance and great accomplishments remind us all that the United States remains a land where each of us is free to achieve the best that lies within us.

I only had one opportunity, but I shall

treasure the day that as Governor of California I was able to have him come over to my office, and I got some pretty good sound and salty advice. [Laughter]

Clare Booth Luce. Clare?

A novelist, playwright, politician, diplomat, and advisor to Presidents, Clare Booth Luce has served and enriched her country in many fields. Her brilliance of mind, gracious warmth and great fortitude have propelled her to exceptional heights of accomplishment. As a Congresswoman, Ambassador, and Member of the President's Foreign Intelligence Advisory Board, Clare Booth Luce has been a persistent and effective advocate of freedom, both at home and abroad. She has earned the respect of people from all over the world, and the love of her fellow Americans.

Dr. Dumas Malone. And the medal will be accepted by his son, Gifford Malone.

As one of the foremost historians, authors, and scholars of this century, Dumas Malone has recounted the birth of our Nation and the ideals of our Founding Fathers. Among Dr. Malone's most notable accomplishments is his biography of Thomas Jefferson, now regarded as the most authoritative work of its kind. Dr. Malone's contributions to our national lore will remain invaluable to succeeding generations as each takes up responsibility for the heritage of freedom so eloquently described in his articles and books.

Mabel Mercer—and the citation:

Mabel Mercer has been called a living testament to the artfulness of the American song, and a legend if there ever was one. Her talent, her elegance and her unique way with a lyric have gathered a devoted following all over the world. Her special style has influenced some of America's most famous performers, earning her the reputation of a singer's singer. Miss Mercer's career has spanned more than 60 years and she continues to delight audiences and critics alike. With her incomparable talent she has helped shape and enrich American music.

Simon Ramo:

As an engineer, businessman, physicist and defense and aero-space pioneer, Simon Ramo's career has been on the forefront of American technology, development and growth. The son of a storekeeper in Salt Lake City, Dr. Ramo built his business from a one-room office to a nationwide network of production plants. A shining symbol of American ingenuity and innovativeness, Dr. Ramo was also a distinguished author, philanthropist and civic leader. His life's work has strengthened America's freedom and protected

our peace.

And in addition, while I was Governor, once he wrote a speech for me to give at a very distinguished educational gathering that quieted all charges that I was not of an intellectual capacity. [Laughter]

And Jacob K. Javits:2

In an outstanding public career of nearly 34 years Jacob Javits has distinguished himself as a New York State Attorney General, United States Representative and United States Senator. He has ably represented the people of New York in the Congress and all Americans to the world. With leadership and wisdom he has guided America through historic turning points, striving always

for justice at home and peace in the world.

Well, that concludes the presentations. By the achievements of their lifetimes and by their presence here today, in person or in spirit, each recipient has brought honor to the White House. And I thank you for being our guests today. God bless you all, and [*addressing the honorees behind him on the podium*] God bless all of you.

Note: The President spoke at 1:12 p.m. in the East Room at the White House following a luncheon for the recipients and their guests.

Appointment of Nancy Thurmond as a Member of the National Voluntary Service Advisory Council

February 23, 1983

The President today announced his intention to appoint Nancy Thurmond to be a member of the National Voluntary Service Advisory Council. This is a new position.

Mrs. Thurmond is active in civic affairs serving on the board of trustees of the Capital Children's Museum and as a board member of American University. In addition, she serves as a member of the board of Wolf Trap and the Washington Ballet. She was 1982 chairman of the HOPE Ball and State campaign chairperson for the Easter Seal Society of South Carolina in 1981–

1982. Mrs. Thurmond is the author of "Mother's Medicine" (1979) and "Happy Mother, Happy Child" (1982) from which sales proceeds are given to Washington charities for children.

She attended Duke University and received a bachelor of arts degree from the University of South Carolina. In addition, she attended the University of South Carolina School of Law. She is married to Senator Strom Thurmond (R-S.C.). They have four children and reside in McLean, Va. She was born November 1, 1946, in Denver, Colo.

Executive Order 12408—Reports on International Organizations

February 23, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, including specifically Section 301 of Title 3 of the United States Code, it is hereby ordered as follows: Executive Order No. 12374 of July 28, 1982, is amended by adding the following new section:

"Sec. 3. The functions vested in the President by Sections 104(c) and 108(d) of the

Department of State Authorization Act, Fiscal Years 1982 and 1983 (Public Law 97-241) are delegated to the Secretary of State."

RONALD REAGAN

The White House,
February 23, 1983.

[Filed with the Office of the Federal Regis-

ter, 11:03 a.m., February 24, 1983]

Note: The text of the Executive order was

released by the Office of the Press Secretary on February 24.

Remarks via Satellite to Newsweek Magazine Employees and Press on the 50th Anniversary of the Magazine *February 24, 1983*

Greetings to all of you watching this broadcast in Washington, London, Zurich, and Tokyo. And thank you, Kay, for your kind introduction.

I congratulate Newsweek and its dedicated team on their 50th anniversary and thank them for making this remarkable teleconference possible. Our communication today, beaming into space and bouncing off satellites, relies on technology that few of us dreamed of just a few years ago, and yet it has become almost commonplace. It is one more powerful example of how we in the free world can draw closer together using high technology as a tool.

The innovation represented by this broadcast is typical of Newsweek's first 50 years. The history of the magazine is one of invention and breakthrough. We Americans are very proud of Newsweek and are pleased to point out that it began as a competitive twinkle in an entrepreneurial eye. Many weekly news magazines now bring insights and information to our people. But Newsweek, in particular, can be proud that its keen competitive spirit has made it one of the most respected in the field.

During the last 2 years, we in America have been reawakening the same entrepreneurial, competitive spirit among our people. Not long ago, our economy, like each of yours, was in the grip of a painful worldwide recession and one of the worst sieges of inflation in our history. In the many meetings I've had with other Presidents and Prime Ministers, whether in Washington or other capitals, it's become clear that we in the industrial democracies face many common economic challenges. It is also clear that many nations look to the democracies for leadership. And we will provide it.

Of course, here in the United States over

the last 2 years has not been an easy one. The length and depth of the recession which brought on so much unemployment have made this a painful transition. But we're making progress now, and we're doing so because we remained firm in our commitment to sound, fundamental principles.

Let me recall for you the four principles upon which we based our economic program here in the United States and review just how far we've come.

First, we pledged to restrain the growth of government spending. We were concerned that the rapid and sometimes mindless expansion of government services was not only wasteful but was eroding the very foundations of our economy. Federal spending in the United States in 1980 was increasing at the rate of 17 percent a year. Today, that increase is down to 10½ percent a year. In next year's budget we propose holding the spending rate to the level of inflation; in other words, a spending freeze.

Second, we pledged to halt the upward spiral in taxation, restoring incentives for savings and investment. It was a matter of grave concern to us that the savings rate in the United States was the lowest of any of the major industrialized democracies. Some of our industries were losing their competitive edge, and our workers were becoming less productive. In the last 2 years, we cut the increases in taxation, too. Taking into account all the tax changes that have been made since I took office and all those we now propose, I'm pleased to report that between 1981 and 1988, an 8-year span, we will save the American people more than half a trillion dollars in new taxes.

Third, we pledged to reduce the heavy

burden of government regulation that was weighing so heavily on the economy. Vice President Bush is heading up a governmentwide task force, and today the flow of new regulatory proposals is down by one-third from what it was when he took office.

Finally, we pledged to pursue a course of steady, consistent monetary growth. The central responsibility for monetary policy in the United States rests, of course, with the Federal Reserve Board. But my administration supports its policies for noninflationary growth in our money supply, policies which have helped us cut the rate of U.S. inflation from over 12 percent to less than 4 percent today.

As the winter snows melt in many parts of America, we're seeing that these policies are beginning to bring rich rewards. A new vibrancy is evident in our economy. Spring is almost here and nearly everywhere we turn—housing sales, consumer spending—we see the economy reviving. The recent decline in international oil prices provides more good news for the world economy. There are some short-term concerns, to be sure. But over the long run, more realistic, market-oriented oil prices will spur economic recovery and free vast amounts of real resources that previously had been devoted to energy.

Another concern in the United States that we must address is the threat to recovery posed by deficit spending. We believe we can meet basic human needs and basic defense needs without borrowing enormous sums from our private capital markets. We intend to do just that. But we have a struggle on our hands trying to win the cooperation of our Congress. Still, we're confident we're on the right track, and the signs of new vigor in the American economy give us great encouragement.

We in the West are on the threshold of a new economic era. Our common problems have a common solution—economic growth. Our challenge is to create healthy, sustained growth without inflation. Inflationary policies in the past caused this last recession and, if resumed, would just as surely bring on another. We must rely again on the strength and vitality of our market-oriented economies and democratic governments. In this age of growing interdependence,

through wholehearted cooperation, we can realize the hopes and dreams of our people.

Look at recent history. Whenever we've stood together, our accomplishments have been great. A basic premise of the foreign policy of America and of each nation in the free world must be to restore global prosperity and stability. All of us in the United States, Europe, and Japan recognize that our task is difficult.

The international financial system continues to be severely strained. Many developing countries now face a serious cash-flow problem created in part by a lack of confidence. To prevent this temporary problem from becoming a crisis, the United States has been and will continue working with other governments and international institutions, such as the International Monetary Fund, to provide appropriate assistance to debtor nations.

Since about 40 percent of American exports are shipped to developing countries, we realize much more is at stake than faraway ledgers and foreign economies. In a world where we depend on one another for our well-being, helping others is often the best way to help ourselves. We will join in a needed enlargement of the IMF's lending resources. This joint effort, aimed at averting a crisis while encouraging countries to pursue effective domestic policies, is essential to world recovery.

At the same time, the international trade system is also under stress. Unemployment caused by international inflation and past market-distorting policies has created worldwide pressures for protectionism. We must resist these pressures. Such economic nationalism is always self-defeating. And today, because of the world financial situation, it would be even more dangerous.

Next week in San Francisco, I will address more fully America's international economic and trade policy, but today let me underscore a central point. If protectionist measures deprive developing nations of their export markets, our problems will become deeper and harder to solve. The United States will continue to push for free trade and fair trade at home and abroad. The economic summit this spring at Williamsburg will provide the heads of state of

the major industrial nations an opportunity to discuss informally the direction of the world economy. We hope to build on agreements made last year at Versailles and work toward even closer cooperation.

Let me also speak for a moment about another concern we in America share with all the people of the world—the need for nuclear arms reductions. Americans have always been a peace-loving people. We yearn, as each of you do, for a world in which all nations can live in harmony, safe from conflict and the threat of nuclear disaster. This administration will leave no stone unturned in our effort to strengthen the peace and lessen the risk of war.

America neither wants nor seeks an arms race. But history teaches us that weakness only tempts aggression. So, we're rebuilding and modernizing our defenses. We in the free world share a joint responsibility, for this generation and for generations to come, to assure an effective deterrent and genuine arms control on an equal, verifiable basis.

Our agenda for peace is the most sweeping and comprehensive in postwar history. Our representatives at the Geneva negotiations on intermediate-range nuclear forces have proposed the global elimination of the entire class of land-based, intermediate-range nuclear missiles. Ours is a simple, honest, and moral proposal, not an ultimatum. We continue to negotiate in good faith, with the full support and agreement of our allies, guided by four sound principles.

First, the only basis on which a fair agreement can be reached is that of equality of levels between the United States and the Soviet Union. Second, British and French strategic systems are by definition not a part of these bilateral negotiations and, therefore, not to be considered in them. Third, Soviet proposals which have the effect of merely shifting the threat from Europe to Asia cannot be considered reasonable. And, fourth, as in all areas of arms control, it will be essential that an INF agreement be underwritten by effective

measures for verification.

I sympathize with the desires of many who call for a freeze. They genuinely want to reduce the threat of war, and so do I. But a freeze now would remove any Soviet incentive to negotiate real arms reductions, which is what we must achieve. Americans and people everywhere long to be free of fear. There is no higher moral goal than to rid the world of a nuclear nightmare. But let no one take advantage of the deep and sincere feelings of our people. Let no nation think it can exploit our humanitarian concern for their own ends. To those who fear nuclear war, I say, again, I'm with you. We must reduce the risk of war. We must prevent it through deterrence. We must serve mankind through genuine and mutual arms reduction, and that is the path the nations of the West are committed to. With God's help, we can and will secure life, peace, and freedom for generations to come.

Let's not lose our perspective. The decade ahead is filled with promise for the Western World. We're entering economic recovery. New technologies and expanded trade can spur greater economic growth than we've yet known. Cooperation among nations can restore the world financial markets, revitalize the developing countries, and benefit us all. And Western solidarity on arms reduction can ensure political stability and lasting peace.

To paraphrase Winston Churchill, these are not dark days. These can be great days, the greatest days we've ever lived. And we must all thank God that we've been allowed, each of us according to our stations, to play a part in making these days memorable in the history of our civilization.

Thank you very much. God bless you. And may God guide us all.

Note: The President spoke at 8:34 a.m. from the Diplomatic Reception Room at the White House. He was introduced by Katharine Graham, chairman of the board of the Washington Post Co., which owns the magazine.

Remarks to State and Local Officials on Proposed Federalism Legislation

February 24, 1983

Welcome to the White House. I told some people the other day that Nancy and I managed to be very happy here, in spite of having a hundred MX's in the basement. [Laughter]

You know, I come into that hall and I—George, you were doing right well, and I wanted to stay back there. And I didn't even think you'd recognize me with the false mustache on. [Laughter]

But I'm delighted that all of you were able to be here today for briefings on many of the initiatives that we're undertaking. Of course, it also leaves me in a position of not knowing whether I'm plowing the same ground with whatever I say here. But I'll be brief. They've seen to that with the scheduling.

I'm also pleased to tell you that, if you haven't been told already, that today we're transmitting to the Congress our revised federalism initiative, which incorporates four major megablock grants to State and local governments. These legislative proposals represent a continuation and expansion of our efforts to return authority, responsibility, and revenue resources to State and local governments.

You know, Bernie Baruch once said something to the effect that people who believed that they could lean on government would find that when you lean on government, government begins to lean very heavily on you. And in the two decades between 1960 and 1980, we saw ever-accelerating encroachment by the Federal Government on State and local prerogatives. Narrow and restrictive Federal grant-in-aid programs grew from less than 50 to more than 500, pervading such Federal—or such obvious local concerns as rat control and sewer extension. The cost of these programs exploded from around \$7 billion in 1960 to \$95 billion in 1981. And the Federal Government had too much control.

The programs lacked flexibility, the regulations were restrictive, Federal mandates were depleting State and local treasuries.

Expenditures were being made for programs that weren't really needed, in particular, communities and localities. State and local officials began calling for a reordering of priorities and a sorting out of responsibilities among various levels of government. Well, we're attempting to address those concerns.

In '81 we were successful in consolidating 57 categorical grant programs into 9 block grants. Our regulatory relief effort, directed in large part to removing regulatory manacles which bind State and local governments—this effort continued in 1982 with the enactment of the Job Training Block Grant and the Urban Mass Transit Block Grant.

The legislative proposal that I'm sending to Congress today will contain four megablock grants, and they are a Federal-State Block Grant, a Federal-Local Block Grant, a Transportation Block Grant, and a Rural Housing Block Grant. It incorporates the input that we've received from State and local officials during the course of the last 2 years. It'll provide stable and certain funding sources for State and local governments by guaranteeing funding for the programs at levels enacted for fiscal year 1984. And it's not a vehicle for budgetary savings.

It'll provide greater flexibility to State and local officials. It'll provide a pass-through to local governments for programs which have historically gone to the States but where the States have passed through the funding to local governments. It provides special protections for revenue sharing and the entitlement portion of the Community Development Block Grant program. The program will be phased in to avoid dislocations on the State and local governments.

And I don't know whether, when George was talking to you up here—I'll go back a paragraph or two, when I was talking about regulations. I think you know how much has been achieved under his leadership in a task force there to reduce the paperwork

and the regulations that have been tying your hands so much, and that effort will continue. There are still too many.

Now, that, in short, is the package that we're sending up, and I'm asking Congress to give the legislation its immediate attention.

Working together, you and I can make government work more effectively for all Americans. I think one of the great things that probably came out of the traumatic experience of the Great Depression was, with the best of intentions, the Federal Government moving in where they saw these great emergencies, then made what was supposed to be temporary medicine for the illness permanent medicine, even after the patient got better. And the result was a drastic distortion of the historic relationship between State and local entities and the Federal Government. And we want to get back to what was the original purpose and the original idea of our separation of government levels in this country, because I think they're unique in all the world, and they were the greatest guarantee of individual freedom that this country has ever

known.

So, we're going to keep at that, and I thank you all for being here.

[At this point, reporters covering the President's appearance at the briefing asked him the following questions as he was leaving the room.]

Q. Mr. President, is there a scandal brewing over at EPA, sir?

The President. What?

Q. Is there a scandal brewing over at EPA?

The President. No, there's one brewing in the media that's talking about it. [Laughter]

Q. Are you still 100 percent behind Mrs. Burford?

The President. Yes.

Note: The President spoke at 11:41 a.m. in the East Room at the White House.

Prior to the President's appearance, the Vice President spoke to the group, and his remarks were included in the White House press release.

Anne M. Burford is the Administrator of the Environmental Protection Agency.

Announcement Concerning Five Appointments to the Environmental Protection Agency February 24, 1983

The President today announced a series of appointments to the Environmental Protection Agency. The appointments were made after consultation with EPA Administrator Anne Burford and are intended to strengthen the management of the Agency.

Those appointed are as follows:

Assistant Administrator for Research and Development—The President is nominating Courtney Riordan as an Assistant Administrator of EPA for Research and Development. Dr. Riordan has been the Acting Administrator in that position since 1981 and has been with the Agency since 1971. Prior to joining EPA, Dr. Riordan was an assistant professor at Cornell University.

Acting Assistant Administrator for Solid Waste and Emergency Response—Lee M. Thomas, who is currently serving as an Associate Direc-

tor of the Federal Emergency Management Agency, has been designated by the President to be Acting Administrator of the Environmental Protection Agency for Solid Waste and Emergency Response. He will succeed Rita M. Lavelle. Among other duties in the past, Mr. Thomas has been responsible for the administration's efforts to alleviate the toxic waste problems at Times Beach, Mo.

Acting Assistant Administrator for Legislation—Lee Verstandig, now serving as Assistant Secretary of Transportation for Governmental Affairs, has been designated by the President to be Acting Assistant Administrator of EPA for Legislation. This is a new, elevated position at EPA, created by the President with the concurrence of Administrator Burford. Dr. Verstandig, a former associate dean at Brown University, served as administrative assistant and legislative director to Senator John H. Chafee

from 1977–81. Currently, legislative affairs at EPA are the responsibility of Lee Modesitt, who holds the title of Director, Office of Legislation. Mr. Modesitt will become an Assistant to the Administrator at EPA.

Acting Assistant Administrator for Administration—The President has designated Alfred M. Zuck, currently the Assistant Secretary of Labor for Administration and Management, as the Acting Assistant Administrator of EPA for Administration. Mr. Zuck is a career civil servant who has served in a variety of positions in government and has been awarded the Presidential Distinguished Executive Rank (1980),

the Distinguished Career Service Award (1974), and the William A. Jump Memorial Award (1974). Mr. Zuck replaces John Horton, who has resigned from the Agency.

Acting Inspector General—The President has designated Charles L. Dempsey, currently the Inspector General of HUD, to be Acting Inspector General at EPA. Mr. Dempsey, who has been Inspector General at HUD since 1977, received the HUD Outstanding Achievement Award in 1978 and the HUD Distinguished Service Award in 1980. He replaces Matthew N. Novick, who has resigned from the Agency.

Nomination of Courtney Riordan To Be an Assistant Administrator of the Environmental Protection Agency

February 24, 1983

The President is today nominating Dr. Courtney Riordan to be Assistant Administrator of the Environmental Protection Agency for Research and Development. He would succeed Stephen J. Gage.

Dr. Riordan has served as Acting Assistant Administrator for Research and Development since 1981. Previously he was Deputy Assistant Administrator, Office of Monitoring Systems and Quality Assurance, in 1979–1981. He has been with the Environmental Protection Agency since 1971. His work has included: Associate Deputy Assistant Administrator, Office of Air, Land and Water Use; Director, Media Quality Management Division, Office of Air, Land

and Water Use; Chief of Economic Evaluation Branch, Office of Radiation Programs; and staff engineer, Office of Technical Analysis, Enforcement and General Counsel. Prior to his work at EPA, Dr. Riordan was an instructor/assistant professor in the department of policy planning and regional analysis at Cornell University. He served in the United States Army in 1955–1958.

Dr. Riordan graduated from Northeastern University (B.S., 1963), Cornell University (Ph. D., 1969), and George Washington University (J.D., 1979). He is married, has three children, and resides in Fairfax, Va. He was born July 4, 1937, in Boston, Mass.

Appointment of Lee M. Thomas as an Acting Assistant Administrator of the Environmental Protection Agency

February 24, 1983

The President is today designating Lee M. Thomas to be Acting Assistant Administrator of the Environmental Protection Agency for Solid Waste and Emergency Response. He will succeed Rita M. Lavelle.

Mr. Thomas has served as Associate Director of the Federal Emergency Management Agency (State and Local Programs

and Support) since 1981. Mr. Thomas managed all disaster relief efforts at the Agency and is Chairman of the President's Task Force on Times Beach, Missouri.

Previously Mr. Thomas was director, Office of Public Safety, Governor's Office, South Carolina, in 1980–1981; an independent consultant in 1978–1980; director,

Office of Criminal Justice, Governor's Office, South Carolina, in 1972–1978; research analyst, South Carolina Department of Corrections, in 1970–1971; and probation officer, Richland County, South Carolina, in 1968–1970.

Mr. Thomas graduated from the University of the South (B.A.) and the University of South Carolina (M.Ed.). He has two children and resides in Ridgeway, S.C. He was born June 13, 1944, in South Carolina.

Appointment Lee Verstandig as an Acting Assistant Administrator of the Environmental Protection Agency

February 24, 1983

The President is today designating Lee Verstandig to be Acting Assistant Administrator of the Environmental Protection Agency for Legislation.

Since 1981 Dr. Verstandig has served as Assistant Secretary for Governmental Affairs, Department of Transportation. He was administrative assistant and legislative director to Senator John H. Chafee in 1977–1981; associate dean of academic affairs and dean of political affairs for special studies at Brown University in 1970–1977; professor

of history and political science at Roger Williams College in 1963–1970, and served as its department chairman in 1965–1967.

Dr. Verstandig graduated from Franklin and Marshall College, the University of Tennessee, and Brown University. He has authored numerous articles and books on government, political history, education, and public policy. He was born September 11, 1937, in Memphis, Tenn., and resides in Washington, D.C.

Appointment of Alfred M. Zuck as an Acting Assistant Administrator of the Environmental Protection Agency

February 24, 1983

The President is today designating Alfred M. Zuck to be Acting Assistant Administrator of the Environmental Protection Agency for Administration. He will succeed John P. Horton, resigned.

Mr. Zuck has served as Assistant Secretary of Labor for Administration and Management since 1977. Additionally, he served as Acting Secretary of Labor during the transition in 1981 and Executive Director, Commission on Executive, Legislative and Judicial Salaries in 1980. He was Comptroller for the Department of Labor in 1975–1977; Director, Administration and Management, Employment and Training Administration, Department of Labor, in 1970–1975; Director, Office of Evaluation, Employment and Training Administration, in

1968–1970; and Director, Federal Programs, President's Council on Youth Opportunity, in 1967–1968. He served in other positions at the Department of Labor beginning in 1958.

Mr. Zuck was the recipient of the Presidential Distinguished Executive Rank Award in 1980, the Distinguished Career Service Award in 1974, and the William A. Jump Memorial Award in 1974. He is a member of the board of visitors, Maxwell School of Syracuse University.

He graduated from Franklin and Marshall College (B.A., 1957) and the Maxwell School of Syracuse University (M.A., 1958). He is married, has two children, and resides in Vienna, Va. He was born August 27, 1934, in East Petersburg, Pa.

Appointment of Charles L. Dempsey as Acting Inspector General of the Environmental Protection Agency

February 24, 1983

The President is today designating Charles L. Dempsey to be Acting Inspector General of the Environmental Protection Agency. He will succeed Matthew N. Novick, resigned.

Mr. Dempsey has served as Inspector General, Department of Housing and Urban Development, since 1977. He joined the Department of Housing and Urban Development in 1968, where he served as Acting Director of Investigation (1970–1972); Assistant Inspector General for Administration (1972–1975); Acting Inspector

General (1975); and Assistant Inspector General for Investigation (1975–1977). He is a member of the Association of Federal Investigators and served as its national president in 1977. He is the recipient of the HUD Distinguished Service Award (1980) and the HUD Outstanding Achievement Award (1978).

He graduated from Georgetown University (B.A., 1960) and attended Catholic University Law School. He was born June 7, 1928, in Morristown, N.J. Mr. Dempsey resides in Arlington, Va.

Statement on Proposed Emergency Employment and Humanitarian Aid Legislation

February 24, 1983

On January 31, Speaker O'Neill, Majority Leader Baker, and I discussed the possibility of accelerating needed public improvements to help relieve the current burden of unemployment. Following this discussion, and subsequent staff-to-staff conversations, we developed a possible bipartisan compromise on jobs and humanitarian aid. On February 10, members of my staff presented this to the congressional leadership. The possible compromise we outlined included \$4.3 billion in accelerated job creation and humanitarian assistance. I was pleased that Speaker O'Neill found this proposal to be an acceptable framework for bipartisan cooperation.

Today, I have reviewed the \$4.4 billion package developed by the House Appropriations Committee chairmen. I am encouraged that it is largely consistent with the

bipartisan framework in both size and approach. We have come a long way toward bipartisan agreement.

Seventy-five percent of the House committee chairmen's package consists of funding for necessary Federal construction, repair, and renovation work, and appropriate humanitarian aid. However, some elements of the package do not constitute acceleration of already budgeted items and thus would unnecessarily increase the deficit. These, and other elements of the package that are not fully consistent with the bipartisan framework, could and should be better targeted on higher priority, job-related Federal expenditures.

I am hopeful that these needed improvements in the House committee chairmen's package will be achieved in the legislative process. I look forward to prompt bipartisan action on these matters.

Statement on Senate Committee Action on the Nomination of Kenneth L. Adelman To Be Director of the United States Arms Control and Disarmament Agency

February 24, 1983

While I would have greatly preferred a positive confirmation vote, I am pleased that the Senate Foreign Relations Committee today voted to report to the full Senate the nomination of Kenneth Adelman to

head the Arms Control and Disarmament Agency. I am fully committed to his nomination, and I share Howard Baker's assessment that the Senate will confirm him.

Message to the Congress Transmitting Proposed Federalism Legislation

February 24, 1983

To the Congress of the United States:

I am transmitting to the Congress today four pieces of legislation: the State Fiscal Assistance Block Grant Act; the Local Fiscal Assistance Block Grant Act of 1983; the Federalism Block Grant Highway Act of 1983; and the Rural Housing Block Grant Act.

These four proposals represent a continuation and expansion of the efforts of my Administration to return authority, responsibility and revenue resources to State and local governments.

In my January 25, 1983 State of the Union message, I indicated that I would be sending to the Congress shortly a comprehensive federalism proposal that will continue our efforts to restore to State and local governments their roles as dynamic laboratories of change in a creative society. We have now completed our work on this effort and it is embodied in these four proposed bills.

Therefore, I am requesting today that these bills be referred to the appropriate committees and I urge their early enactment.

The Need for Change

In a 1957 speech to the National Governors' Conference, President Eisenhower sounded the first words of caution about the trend toward increased central government

control. He said:

"Our governmental system, so carefully checked, so delicately balanced, with power fettered and people free, has survived longer than any other attempt to conduct group affairs by the authority of the group itself. Yet, a distinguished American scholar has only recently counseled us that in the measurable future, if present trends continue, the states are sure to degenerate into powerless satellites of the national government in Washington.

"That this forecast does not suffer from lack of supporting evidence, all of us know full well. The irony of the whole thing is accentuated as we recall that the national government was itself not the parent, but the creature of the states acting together. Yet today it is often made to appear that the creature, Frankenstein-like, is determined to destroy the creator."

Had he known how prophetic his statement was, his rhetoric undoubtedly would have been far stronger. During the two decades following the Eisenhower Administration, the Federal government increasingly encroached on state and local prerogatives. Narrow and restrictive Federal grant-in-aid programs grew from under 50 to over 500, pervading such obviously local

concerns as rat control and sewer extensions. The dollar amount usurped from State and local treasuries to finance these programs ballooned from \$7 billion in 1960 to \$95 billion 1981. With increased Federal dollars came suffocating Federal control. Lost was the efficiency and accountability of local spending priorities.

A generation of governors, state legislators, mayors and county officials began to echo President Eisenhower's sentiments throughout the 1960's and 1970's. They came to realize that the mushrooming Federal programs reflected the fact that Presidents and Congresses failed to trust State and local officials as their partners in our Federal system.

The Federal government had too much control, many felt. Programs lacked flexibility. Regulations were restrictive. Federal mandates were depleting State and local treasuries. Expenditures were being made for programs that were not really needed in particular localities. In short, State and local officials believed that they were more capable of making more prudent decisions to run their own jurisdictions than Federal bureaucrats. They started calling for a reordering of priorities and a sorting out of responsibilities among the various levels of government.

Initiatives in 1981-82

During the past two years, hundreds of decisions and proposals have been made by my Administration in an effort to restore balance to our Federal system.

For example, throughout the economic recovery program, which I proposed in 1981, there was the underlying theme of federalism. The spending reductions were a reordering of priorities so that the national budget would address truly national needs. The tax cuts addressed the problem created by the Federal government usurping revenue sources which otherwise would have been available to State and local governments and to individuals. And the regulatory relief effort was directed in large part to removing the regulatory manacles which bind State and local governments.

In a more direct assault on Federal usurpation, we proposed the consolidation of scores of narrow and restrictive categorical

grant-in-aid programs into seven broad block grants. The package which was ultimately passed by the Congress, and which I signed, consolidated 57 programs into nine block grants. It is estimated that these block grants resulted in a reduction of 5.4 million manhours (83%) in FY '82 for State and local officials and 5.9 million manhours (91%) in subsequent years from the level required to administer the predecessor categorical programs.

This block grant effort continued in 1982, with enactment of the Job Training Partnership Act and the Urban Mass Transportation Block Grant.

Many other initiatives were taken on the federalism front.

- Of the 119 regulatory reviews targeted by the Task Force on Regulatory Relief, 35 were directed to State and local governments.

- For the first time in many years, the Executive branch actively participated in the Advisory Commission on Intergovernmental Relations (ACIR).

- I created a Federalism Advisory Committee chaired by Senator Paul Laxalt (R-Nevada). The work of that committee has now been completed and its suggestions have been incorporated into the package which I am today sending to the Congress.

- At the White House, we have pursued an active outreach effort with State and local officials. Personally, I have met with more than 1,000 such officials in the White House during 1981 and 1982.

Finally, early in 1982, I proposed the outline of a major Federalism Initiative. I stated at the time that my package was just a conceptual framework and that I wanted to work out the details following extensive consultation with State and local officials. The process which followed was unprecedented, and I want to thank the many State and local officials who assisted me in the development of the legislation. The package which I am sending to the Congress today reflects the input which we received from State and local officials throughout 1982 and early 1983.

The 1983 Federalism Initiative

These legislative proposals would consoli-

date 34 programs into four mega-block grants. The Administration's budget request for these programs for FY '84 is approximately \$21 billion.

The following programs would be consolidated into the four mega-block grants.

State Block Grant

Rehabilitation Services
Vocational Education
Adult Education
State Education Block Grant (ECIA, Chapter 2)
WIN
Low-Income Home Energy Assistance
Social Services Block Grant
Community Services Block Grant
ADAMHA Block Grant
MCH Services Block Grant
Rural Water and Waste Disposal Grants (FmHA)
Water and Sewer Facility Loans (FmHA)
Community Facility Loans (FmHA)
CDBG—Non-Entitlement Portion Grants for the Construction of Municipal Waste Water Treatment Works (EPA)
Child Welfare Services
Child Welfare Training
Adoption Assistance
Foster Care
Prevention Health and Health Services Block Grant
Child Abuse State Grants
Runaway Youth

Federal-Local Block Grant

General Revenue Sharing
CDBG—Entitlement Portion

Transportation Block Grant

Urban System
Secondary System
Non-Primary Bridges
Highway Safety (FHWA 402 Grants)
Hazard Elimination
Rail-Highway Crossing

Rural Housing Block Grant

Rural Housing Insurance Fund
Very Low-Income Repair Grants
Mutual and Self-Help Grants
Rental Assistance Program

This is a five-year program. It would guarantee funding for the programs turned

back at the level enacted for FY '84. This funding level would remain in effect through FY '88.

This will provide a stable and certain funding source for State and local governments. It is *not* a vehicle for budgetary savings.

During this five-year period we will carefully monitor the block grants and determine whether it would be feasible to return revenue sources, such as Federal excise taxes or a percentage of the Federal income tax, to State and local governments along with the programs in the block grants. I will appoint a presidential commission to review this issue and to provide recommendations to me.

The proposals have been drafted to avoid dislocations on State and local governments. For example:

- For the Federal-State and Federal-Local block grants, beginning on October 1, 1983, a recipient could take 20 percent of the money from the program and spend it anywhere else within the block. This percentage would increase to 40%, 60%, 80%, and finally 100% in each of the succeeding four fiscal years. Thus, in fiscal year 1988, a recipient would be able to spend 100 percent of the dollars in each block for any of the purposes within the block.

- In the Federal-State block grant, for programs where Federal dollars go to the States but are passed through to some degree by the State to local units of government, each State would be required to pass through the percentage that was available to localities in fiscal years 1981, 1982 and 1983 in that program.

- States would be required to have meaningful consultations with local officials prior to final decisions on the distribution of these pass-through funds.

- For three Farmer's Home Administration (FmHA) programs—rural water and sewer grants, water and sewer loans, and community facility loans—100% of these FmHA program funds will be passed through State governments directly to rural communities of less than 10,000 in population. In addition, at least 70% of the "small cities" funds of the Community Development Block Grant program will be appor-

tioned to communities of less than 20,000 in population.

Implicit in the Federal-local block grant is the assumption that revenue sharing would be reauthorized for 5 years at the current funding level of \$4.6 billion annually.

Allocations to States for each program included in the State block grant, would be based on the historical program shares (FY '81-'83), or on the basis of formula allocations.

Funding for the Federal-State block grant would come from three Federal excise taxes on alcohol, tobacco, and telephones. The transportation block grant would be funded by part of the Federal gasoline tax.

The swap of federalization of Medicaid for State assumption of AFDC and Food Stamps, which was included in my January, 1982 framework has been dropped from the package. Reform of these three programs will be considered on a separate

track.

Many of the more controversial programs in the original package (such as child nutrition, handicapped education, urban development action grants and others) have been dropped from the initiative.

The block grants include vastly reduced Federal strings and regulations. I strongly urge Congress to provide the flexibility in the programs that State and local officials need and deserve.

I request that Congress give these legislative proposals its immediate attention. With the help of the Congress, we can make government work more effectively for all Americans.

RONALD REAGAN

The White House,
February 24, 1983.

Note: The text of the message was released by the Office of the Press Secretary on February 25.

Appointment of Frederick J. Ryan, Jr., as Special Assistant to the President and Director of Presidential Appointments and Scheduling

February 25, 1983

The President today announced the appointment of Frederick J. Ryan, Jr., to be Special Assistant to the President and Director of Presidential Appointments and Scheduling. He will succeed William K. Sadleir, who will become Deputy Chief of Protocol.

Since February 1982 Mr. Ryan has served at the White House as Deputy Director of Presidential Appointments and Scheduling. Prior to that he was a litigation attorney with the Los Angeles law firm of Hill, Farrer & Burrill. While engaged in his prac-

tice, he published several articles on various aspects of the law.

During the 1980 Presidential campaign, Mr. Ryan was active in the Reagan-Bush committee. While residing in California, he was involved in several State, local, and congressional races.

Mr. Ryan graduated from the University of Southern California (B.A., 1977) and the University of Southern California Law Center (J.D., 1980). He was born April 12, 1955, in Tampa, Fla.

Question-and-Answer Session With High School Students on Domestic and Foreign Policy Issues February 25, 1983

The President. Well, now, if I have it right—and I hope I don't leave anyone out—students here from Florida, Arkansas, Missouri, Oregon, California, and Texas. Right?

Students. Right.

The President. That does it? And I guess the audience should know that we have just met, hardly exchanged a word other than just saying that. And so, this is, as they say on some of those other shows, completely unrehearsed—[laughter]—and I have no idea what's going to be asked, except I was told the first person that was going to ask a question would be you.

1984 Presidential Candidacy

Q. Mr. President, my name is Ramonia Westbroom, and I'm a student at Freemont High School in Oakland, California. And I wanted to know, do you plan on running for reelection in 1984? [Laughter]

The President. Well, now, that's a question that all of the press has been asking me also. To tell you the truth, I can't answer that now. I think it's the wrong time to answer it. If you say you're running too early, then everything you do is viewed as being political; and if you say you're not, then you immediately become a lameduck, and you can't get anything done. But also I have always really believed that the people will kind of let you know whether you should run again or not. So, I'll wait a little while on that one and then answer it later.

Yeah.

Arms Control and Reduction

Q. Mr. President, my name is Bob Beatty. I'm representing Lake Oswego High School from Lake Oswego, Oregon. And I say that my generation is very concerned with a possible nuclear war. And to tell you the truth, we're sort of scared. Is there any possibility that you will meet with Soviet Chairman Andropov to ease some of the tensions that exist between our two countries?

The President. Well, now, I have made it

plain—and even before it was Andropov, when it was Brezhnev—that I was willing to meet. There are no plans right now for a summit, but this doesn't mean that we're not in communication and constant touch between our State Department and their people and all. But more important than a meeting between the two of us—and I recently sent word to our European allies that I would meet with Mr. Andropov anyplace, anytime, to sign an agreement that would eliminate the intermediate-range nuclear weapons that are now poised and aimed at the countries of Europe. We have no such weapons there as a deterrent.

But let me say that I know this concern of all of you. And I know the fear that everyone has. On the other hand, the very nature of the deterrent, the fact that both sides have these weapons aimed—it's the first weapon ever invented that has never, at the same time, led to a defensive weapon against it. The only defense you have is being able to say, if one of you does it the other one's going to do it too. And there is no winner.

But we're trying now—this is so out of hand that we have three teams negotiating in Geneva, Switzerland—well, two in Geneva, one in Vienna. The one in Vienna is negotiating on conventional weapons. The other two—one is what's known as the START team, for Strategic Arms Reduction Talks, and the other one is the INF team, intermediate-range nuclear weapons. These are the ones—the SS-20's, the Soviet Union has about 350, some aimed at Europe. They've continued to add to that force even though we have this team there, because I proposed some time ago that they meet us to negotiate an outright elimination. Our NATO allies have asked us to put nuclear weapons, intermediate-range weapons, as a deterrent to those that are there on the edge of Western Europe. And we have agreed to do that.

Now, so far, they have a monopoly. They are the only ones with the threat. We will

deploy—we're trying to get what I said was a zero-based option—destroy theirs, and we won't produce any of ours. And at least we will have made the step of wiping out a whole system of nuclear weapons.

Now, I think they came to the table and are willing to talk because they don't want us to put in that deterrent. I can only tell you that every effort we can make is being made to reduce the numbers of those weapons, and, hopefully, if we once start down that path, hopefully, we can eliminate them altogether. But I would say here, rather than your fear is—I believe that for 37 years we've proven that that deterrent idea does work. And I'm still confident of that.

Let me point out, we're the only country that ever dropped one of those. And that was in the World War II against Japan. But we were the only country that had it. And you have to ask yourself, would we have dropped it if we had known they had one they could have dropped on us? And I think we all know the answer to that.

So, we're not completely helpless.

Yes?

Student Financial Assistance

Q. Mr. President, I'm from Northwest High School in House Springs, Missouri. I have a question concerning the cuts in student aid. I realize that cuts need to be made. There are some students who are very intelligent, however, that do not have the money to go to college without help. How will this affect the future of our nation if only those from high-income families can afford to be educated? What are your views toward these cuts?

The President. All right. I think what you've revealed here is there's a widespread misunderstanding about what we've done. Actually, we are still providing student aid at the government level. Remember also, though, that there are many scholarship funds from private foundations, from schools themselves. In California—and I'm sure this is true of most other States—while I was Governor, we increased the State scholarship aid 11 times as much as when I first arrived there. So, there is more than the Federal Government.

But here's what we've done at the Federal Government level. It isn't a case of cut-

ting back the aid. But we found out that the programs had expanded to the point that people, families with incomes enough that they should be able to provide the education themselves for their children, were still getting this government aid and the government guaranteed loans and so forth. We changed the standards to make it possible to give more of that aid to those whose financial standing or earnings were such that they couldn't go without it.

And so, what we have done is simply take some of the aid away from more affluent families and give it to families that do have real need. And we are still providing aid for almost half the college students in the United States.

The young gentleman right there. You, yes.

Q. It's, Mr.—

The President. No, no, it was him. [Laughter] Okay. I'll take you in the back next then.

Liberty City, Miami, Fla.

Q. My name is Larry Norton, and I'm a student at Miami Northwestern Senior High School, Miami, Florida. Mr. President, after the May riots in Miami of 1980 in the Liberty City section of the city, money was promised from the Federal Government to aid black businesses and create jobs, a total revitalization of Liberty City. I would like to know what happened to this Federal money? Was it sent into Liberty City? And if so, how is it being spent? And if it has not been sent into the Liberty City area, is it going to be sent into the area? And why is it taking so long?

The President. I can't answer the technicalities of whether it has or whether it's gone there or not. I can only tell you from my position the overall policy of this administration and what we've done. And through the Small Business Administration and through the Defense Department we have ordered that more help be aimed at minority-aimed businesses, small businesses, and this by way of subcontracting in Defense. And I know that that has been going forward quite successfully. But for me to have the details on the particular areas—but since you've asked it, I can tell you that I

will look into it. You say it's Liberty City.

Q. Yes, sir.

The President. I shall look into that and find out. And if there's something delaying aid that was promised, I shall roust some people around. [Laughter]

No, the man—

Q. Yes—

The President. There.

National Park System

Q. My name is Jay Gore, representing LaPorte High School in LaPorte, Texas. Recently there have been rumors that the Interior Department plans to change its policy towards the National Park System and that it's going to change it from more of a conservation—for people who see and enjoy the park—to an entertainment role. What do you think the role of the National Park System should be?

The President. Well, now, the only thing that I can answer about—what I know is the Interior Department's policy about national parks is that when we came, the Congress kept proposing more money, in all this stringent time when we're running deficits, to buy more parkland. But what the Department of Interior found out was that the parks, the national parks we presently have, had been allowed to run down, and the spending had been decreased, before we got here, every year, to where they were getting virtually nothing for the maintenance and the upkeep of these parks. And the standards for health and safety had been lowered very much because of this. And the Interior Department said, "We're not going to buy more parkland until we have taken care of the parks we have." And so, they have vastly increased the amount of money that is being devoted to bring the parks up to standard.

Now, I know that there is a lot of confusion about much—and maybe some of what you were asking was because of the talk lately about the wilderness territories, not just parks. And the Interior Department, Mr. Watt, is being blamed because he sent a notice to Washington that 800,000 acres of land, almost a million acres, should not be considered any longer for incorporation into the wilderness areas. And this story came out that he was taking this *away* from

wilderness areas.

Well, before we got here, 174 million acres had been designated by the Congress for study as to whether any or all of them should be incorporated in the 80 million acres of national wilderness land that we presently have. Standards were set. It can't be wilderness land if there's roads on it. It can't be wilderness land if there's dual ownership, if, say, a local government or State government has an ownership claim or owns mineral rights under the land and so forth.

Under the previous administration, of that 174 million acres, they had already withdrawn 150 acres of that as—million acres, I mean, as not being eligible for wilderness. And the Interior Department continued the study, and the 800,000 acres that was withdrawn was simply added to that 150 million acres, which means we still have some 23 million acres that we're continuing to study as to whether it qualifies to be included in the wilderness lands.

But the park policy is one of maintaining the parks we have. Then if there is a need for additional parkland, we can follow up on that.

Now—well, here's a young lady over here.

Employment Programs

Q. Hello. My name is Elizabeth Daven. It's very nice to meet you, Mr. President. I would like to ask you—I come from California in Riverside—what are some of your plans to improve our nation's unemployment problems?

The President. To provide—

Q. Just one minute. What are some of your plans to improve our nation's unemployment—our unemployment situation?

The President. Oh, to improve the unemployment situation. Well, first of all, the greatest employer is the private sector, and right now there are a hundred million people employed in this country while there are some 11 million unemployed.

Last month, January, for the first time the unemployment level started to decline. It dropped four-tenths of a percentage point, from 10.8 to 10.4. And in the new method of keeping that, that was from 10.7 to 10.2,

because up until last month no one was counting the Armed Forces. Well, they're very definitely working and employed. And they were counting them when they left the service and became unemployed, but they weren't counting them while they were employed. So, the new method is it would be 10.7, down to 10.2.

We have—the increase in the gasoline tax is going to create some jobs. That isn't why it was passed. It was passed because our highway system and our bridges throughout the country have deteriorated so badly that they need—it's an emergency situation. They need to be repaired, to be replaced in many instances. But that will create several hundred thousand new jobs.

We now have a bill that we're discussing with the legislative leadership that will—well, several bills. First, one of them, called the enterprise zones. This a program to go into rundown areas, such as some of our inner cities that have decayed and where many of the people are on welfare, unemployed, and businesses don't go in there. It's a program of using tax incentives at every level of government for businesses that will go in, establish themselves there, and then hire the people that are there presently unemployed and getting welfare, and tax incentives to make this worthwhile. While we're trying to get this through Congress, eight States have already done this on their own with tremendous success.

We have another measure up there that is calling on, accelerating programs that in the budget we're discussing for 1984, where our various government levels or agencies have construction work, maintenance work, repair, that needs to be done, and would be in the '84 budget, that we would move that up and start doing it now to help solve unemployment.

We also, let me just say, have—we are extending the unemployment insurance benefits. As people have run out the ability to be eligible, we're extending them, but we're also trying to get legislation that would allow us to use those for job training, to use them for relocating people to places where there are jobs, and to also use what we call a voucher system, in which a person would be able to take a voucher instead of his unemployment payment, go to an em-

ployer, give the employer that voucher in return for a job, and for a period of time the Government would pay the amount of that voucher as an inducement to the employer to take on this unemployed person.

And there are a number of other things we're doing. And I think the turnaround that is just taking place in the economy is going to get at this problem.

Business Investment

Q. Thank you, Mr. President. My name is Tor Ewald. I'm from Aragon High School in San Mateo, California. I'd like to start off by saying something I don't think you hear enough of. And I'd like to congratulate you on your fight against interest rates, and especially inflation, which on figures that went out today, I heard, was down to 2.2 percent. I think you've done a great job with that.

Now, my question deals with renewable energies. Recently—or, do you plan to support this industry by keep going with your tax credits, tax credits, tax incentives, and what do you have in the future plans involving this and—because in the minds of my peers, this is very important to our future.

The President. To—now, wait a minute—the incentives to—

Q. To invest in—

The President. To invest, yes. These are both at the private level for—and we've brought up, for the first time in 3 years, the personal savings rate. Now, you know, when people buy insurance policies or put their money in a savings account, that money then becomes part of a capital pool that is loaned to industry and business and so forth, for investment purposes. And we're continuing that. But we're also continuing the tax policies that give business some breaks so that they can afford to improve their capacity and their ability to build, modernize their plant and machinery, and so forth. We are going to continue all of those things. They're very vital.

This is one of the big things that has made us less competitive with our foreign allies. Japan, many companies in Europe after World War II, when there'd been so much destruction and all, they were helped by us to build the most modern of factories.

Well, ours weren't bombed, and the result was, with our taxing policies since the war, we made it very difficult for American business to modernize plant and equal these other plants and be able to produce at the lower price that they could produce. And we are providing incentives for that.

I thank you for the words about the interest rates. And you would be happy to know that as of today two of the major banks in the United States have lowered the prime interest rate from 11 to 10½. And the others, I know, they always follow when that happens.

Young man right back there in the white shirt. Yes?

Times Beach, Mo.

Q. Mr. President, my name is Pierre Love, and I'm from St. Louis, Missouri, Visual and Performing Arts High School. What I would like to know is, what progress is being made on the dioxin problem in Times Beach, and who do you think should handle it, the Federal or State government?

The President. Well, I think it should be a combination where responsibility lies. First, you try to find, is there a private responsibility? Is some concern, a factory or something, responsible for this? And if so, then secure either help or turn this over completely to them and have them do it, if they're at a real fault. But then, other levels of government.

Now, the situation in Missouri. We have just announced that the dioxin level—as you know, we've been in there taking tests, and it has turned out to be so much more severe, probably due to the repeated flooding there. The dioxin came, to those of you who don't know, was in oil that was put on dirt roads to hold down the dust. No one knew at the time that they were doing something that would affect the health of the people living there. But the dioxin level, the floods came and spread this and sank into lawns and everything, has infected it so much that we've had to tell the people that it's dangerous to live there.

We are now proposing to simply buy that town. Pay the people for their homes, for leaving their homes, give them the money their homes are worth, businesses, and so forth. And it's a shame and tragic that they

must move away. But it will be a long time before that can be cleaned up to where we could say it is safe.

Young lady right back there in the blue dress.

Birth Control Regulation

Q. Mr. President, my name is Felicia Lynch, and I attend James Logan High School in Union City, California. Mr. President, your administration suggests that federally supported family planning clinics inform parents of minors if they request birth control information.

The President. I'm having trouble hearing you. I have to admit to you, I've got one ear that doesn't hear as well as it should, so—

Q. Start over?

The President. Speak up a little more.

Q. Your administration suggests that federally supported family planning clinics inform parents of minors if they request birth control information. My question is, Mr. President, how does your administration justify this so-called squeal law?

The President. Ah, I'm glad you asked that. [Laughter] I'm very happy to answer. This has to do with the squeal law. And I'm not sure that you will be on my side on this, but maybe your parents will.

The legislation that authorized the Federal Government to subsidize centers where birth control advice and so forth and means of birth control were being offered the young people, that they should in return for these subsidies, to the greatest extent possible, involve a maximized family participation. Well, they haven't done it. They simply are allowing girls who are under age to come and receive their information and their prescriptions for these various birth control devices and at the same time to keep this information from the parents.

Now, I don't think any of us can say that sexual behavior is without a moral connotation, connection. And it seems to me that where they're all complaining that this is now government interfering with the rights of young people—what about government injecting itself into the family, between parent and child, and saying, "We the government reserve the right to do something of this kind in collusion with your children,

and we're not going to let you know about it?" I don't think, at a time when we're worried about the family as an institution and wanting to preserve the family as a unit—because that's the basis for all civilization—I don't think government has a right to stick its nose into the family and tell parents what they can or cannot know about their children. And, therefore, we've put out that regulation. And I feel very strongly about this.

Government has done a lot of things now and in its aid to education and all that has, in effect, kind of moved to take some of what should be parental duties away from the parents now and have you beholden to government. And I just don't think—government can be a lot of things, but it can't be mama and papa and it shouldn't try.

Kenneth L. Adelman

Q. Mr. President, my name is Rachel Wormhoudt. I'm from Berkeley High School, Berkeley, California. I'd like to address the issue of nuclear arms reduction. Considering the current status of the Adelman nomination and the fact that in yesterday's Foreign Relations Committee, the nomination will be sent to the floor with a recommendation that it not be confirmed, how do you feel your nomination of this man has helped nuclear arms reductions? And how do you feel our allies will perceive it?

The President. Well, I think that the Senate—very frankly, the Senate committee is being very irresponsible, and I think that this is pretty much party-line vote in politics.

Mr. Adelman is a young man, and there's nothing against that. He's 36 years old. Someone tried to make an issue of that. And we've got some Congressmen that are not 36 years old yet. But Mr. Adelman was at the United Nations, and he was the direct deputy and assistance to our Ambassador there, Jeane Kirkpatrick. And some time ago, the United Nations had its conference on disarmament, and Mr. Adelman participated in that. We had a chance to see his performance in that. So, it is not true, as they've been saying, that he does not have experience in arms negotiations.

He is a brilliant young man. Everyone

who knows him endorses him, and I think the fact that the committee voted nine to eight indicates that there's a great division as to whether he's competent or not. And this is going to the floor, and I'm going to tell you I'm going to do everything I can to urge the Senate to ratify him for this position. It takes Senate approval of someone.

I think that what the committee has done and this whole fuss over him, this has been injurious to us in the eyes of our allies and friends. But I told you before about those teams that we have negotiating. We picked this man, because the whole idea of the arms reductions was mine and I obviously want it, and I wouldn't have picked him if I did not think he was the best man at hand to do the job. And, frankly, I'm a little annoyed at the Senate that they don't give me credit for believing that.

A couple of them have actually voiced the thought that they don't believe I'm serious about arms reduction. Well, since I've understood from some of the plans that others in the world have I'd probably be the first target, you can bet I want arms reduction. *[Laughter]*

The gentleman right there in the aisle.

Crime Prevention

Q. Yes, sir, Mr. President. My name is Ken Bernstein. I'm from North Miami Senior High School. What role do you feel the Federal Government should play in preventing crime in this country?

The President. What role should we play in preventing crime in this country? Well, now, basically, we know that law enforcement is a matter of State and local governments. For example, if someone is tried for murder, they're tried because they have violated the State law in that State against murder. The Federal Government, however, does have a part to play.

One of the great parts that we're playing is—more than half the crime in the United States is drug-related. And we tried an experiment in south Florida. We put, for the first time, we aligned all the Federal agencies from drug enforcement to the FBI to the Federal marshals to all of this. And then we went and joined in with all the local and State apparatus down there. We had what

we called a task force. And George Bush, the Vice President, was in charge of it.

This task force did a fantastic job. We have actually intercepted billions of dollars, at street value, of drugs. We have a whole fleet of cabin cruisers and speedboats and yachts and airplanes that we have taken and confiscated. I saw a table one day in Florida with \$20 million—I'd never seen \$20 million in my life—stacked up on a table that had been confiscated from these drug things.

And it was so successful that, of course, we almost cleaned up the situation there. But the same people then started coming into the United States, importing these drugs, bringing them in through different routes. We now are funding 12 task forces that will be in all the other areas in the United States to see if we can do the same thing.

But, also, I think, we've got to take and are taking stands: some national legislation to clean up much of what we think is in the social—or the criminal justice system, the fact that so many criminals today are turned back out on the streets and sometimes for very little reason.

I'm sure you've heard the thing about the exclusionary rule. Well, now, this is the result of judicial decisions. This isn't a law that anyone passed. But what the exclusionary rule means is that if a policeman in some way violates technicalities of the law in getting some evidence, that evidence is thrown out of court, even though the evidence proves beyond a shadow of a doubt that the accused is guilty.

And the classic case of this and the foolishness of it took place in San Bernardino, California. And there were two agents that got a warrant, which is all legal, to search a home where a man and woman lived that were suspected of selling heroin. And they couldn't find any heroin after searching the house, which they could legally do. On the way out, one of them on a hunch turned around; there was a baby in a crib. He took the baby's diapers down, and there was the heroin. They were guilty. The evidence was thrown out of court and they went free, because the judge ruled that the baby hadn't given its permission to be searched. [Laughter] Now, this is how ridiculous it

could be.

But we have legislation, a crime package of bills, to try and straighten this out, try and make it more possible to evade these, just, technicalities and really get justice in sentencing criminals.

There on the aisle, and then I'll come down—

Q. Mr. President—

The President. Ah, there are too many hands.

Q. —as much as we hate to, we're going to have to quit. My name is Rob Calhoun from El Dorado, Arkansas, and on behalf of all Close-Up students in Close-Up, we'd like to thank you for sharing this time with us.

The President. Thank you very much. Thank you.

Could I just make a farewell—I thought that you were going to ask a last question here, but I guess I talked too long.

I'm always brokenhearted at the number of hands that I didn't get to point to. I try to go around so you won't think I'm staying in one spot. I'm sorry about those. If those of you who had questions and I didn't get to them want to write them, believe me, I'll send you a written answer to your question. And, Joe,¹ you can tell them how to write so that the letters will get to me. Sometimes I find that it takes a long time for letters to reach my desk. So, Joe will tell you how to do it.

But the other thing, I say this to you, and I want to say it to other students who will come in here in these meetings of this kind. I've answered some questions here today and with what I claimed were facts and figures. And I believe that I was correct in those. But don't let me get away with it, if you have any question as to whether any of my answers were not based on fact, check me out. But do that with anyone who's—whether it's on the evening news or whether you read it in the paper or whether it's someone in the classroom or a lecturer or a speaker. You have some question, check them out.

¹ Joseph R. Holmes, Special Assistant to the President and Director of White House Television, Film, and Radio Services.

You have more words thrown at you today, your generation, than has ever been thrown at any generation in history. Well, don't become the sucker generation. Make sure that what someone is telling you is fact and could be substantiated. And that goes for me, too.

Okay. Thanks very much.

Note: The President spoke at 1:01 p.m. in

Room 450 of the Old Executive Office Building. The question-and-answer session was taped for later broadcast on the Cable Satellite Public Affairs Network.

The participants in the session were part of the Close-Up Foundation program, a nonpartisan educational foundation providing secondary school students the opportunity to study the American political system.

Radio Address to the Nation on Proposed Natural Gas Deregulation Legislation

February 26, 1983

My fellow Americans:

Today I'd like to talk to you about a subject that touches on all of us one way or another—in our homes, schools, at workplaces, and in the overall economy. I want to talk about one of our major energy sources—natural gas—and what this administration proposes to do to ensure abundant supplies of it at reasonable prices.

As the situation stands now, the American consumer is being hurt by government regulations that actually contribute to higher gas bills. We want to change that. Now, I know all too well that energy is a subject that some people in public life just can't resist playing politics with. It's unfortunate, but I guess it's a fact of life, or at least a fact of life as we know it in Washington, which can be pretty different from hometown America.

Many of you, I'm sure, recall the howls that went up when we acted to deregulate oil prices 2 years ago. Remember how you were told that deregulation would lead to skyrocketing prices for the gasoline that fuels millions of American cars, or the oil that heats millions of American homes? Well, the evidence is in, and the doom-sayers were dead wrong.

You don't have to go any further than the nearest filling station to see that prices have gone down, not up, since decontrol, just as we promised they would. The economic realities of the marketplace have done more to bring down the price of oil than all those

years of frenetic government regulating.

I think there's a lesson here for all of us and one that goes a lot deeper than the price of energy. Way back in 1824, Thomas Jefferson wrote about the difference between two kinds of political mentalities. Both of them are still very much with us today. Here's what Jefferson said about them: "Men by their constitutions are naturally divided into two parties—those who fear and distrust the people, and wish to draw all powers from them and those who identify themselves with the people and have confidence in them."

Now, the vast majority of us identify with the second group, the one that believes in trusting the wisdom of the people rather than taking power away from them and concentrating it in the other hands. On a more personal level, anyone who's ever wrestled with a tax form or had to make sense out of a complicated bureaucratic regulation knows how costly and time-consuming government overregulation can be. And that brings me back to regulation; in this case, regulation of natural gas.

I'm convinced—and I believe that the evidence backs me up—that just as deregulation of oil has led to a better deal for the American consumer, a freer market in natural gas will have the same beneficial effect for you. So, next week I'm sending the Congress a proposal for correcting the problems that have resulted from past excessive regulation of the natural gas market. While I'm

taking this step out of the deep belief in the principle involved, there are human reasons as well.

In recent months, thousands of you have written to me, to Members of Congress, and to State and local officials expressing your distress about rapidly rising natural gas bills. Some areas of the country have been especially hard-hit, and it's clear that consumers are being poorly and unfairly served by the existing regulatory system. That system prevents natural gas producers and their customers from entering into contracts that respond to market forces, including pressure for lower prices that are now possible due to plentiful gas supplies and declining oil prices.

Today there's a surplus of natural gas, and oil prices are dropping. These factors normally would result in lower natural gas prices. But the regulatory morass has kept the marketplace from achieving lower natural gas prices. In sharp contrast, the Department of Energy estimates that if our proposal is enacted, natural gas prices will drop by at least 10 to 30 cents per thousand cubic feet in the first year.

The measure I will submit to the Congress is not a partisan plan, and it resorts to no quick political fixes. Instead, our approach is a comprehensive proposal that can, and I believe will be supported by Congressmen and Senators of both parties

and will benefit the consumers they represent.

Basically, our legislative package will allow a freer market for natural gas so that there will be real and long-term incentives to produce and market abundant gas supplies at the lowest possible cost, just as gasoline and home heating oil prices have declined since we deregulated oil. Although we believe free markets not only can but will achieve these results, we aren't asking you, the consumer, to take that on faith.

To assure that consumers are protected, I have insisted on a provision which reverses the present law and provides that until 1986, there will be a moratorium on the automatic pass-through to consumers of increased gas costs by the gas pipelines, other than those caused by inflation, which, as you know, has been declining steadily.

The key to cheaper, more abundant energy for all Americans is a policy that combines consumer protection, incentives to produce, and efficient, economic use of our resources. That's what our program will do. And I look forward to working closely with Members of both parties in the Congress to obtain its passage without delay.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Toasts at a White House Dinner Honoring the Nation's Governors February 27, 1983

The President. First of all, let me just say that I'm not used to being up here alone without a hostess at these affairs, but right about now Nancy's getting ready to walk into the sound stage at Twentieth Century Fox, where the dinner is being held for Her Majesty, the Queen of England. So, you'll just have to put up with a host. [*Laughter*]

Our dinner tonight begins another round of discussions between us, a time when we can exchange ideas, explain our points of view, and work toward closer cooperation. Since I've been in this office, I've benefited

greatly from your advice and counsel in our many meetings with individual Governors, your executive committee, and your able spokesman, Governor Scott Matheson. I hope you found them useful, too.

The year that's passed since our last state dinner has been a trying one for each of us and for all Americans. Our economy suffered the depths of this recession. Many of our citizens lost their jobs, and millions found themselves suddenly in need of government support. Our budgets were strained and our administrations sorely

tested. But by working together, through cooperation, with give and take, we've weathered the worst of the storm.

And now the economic recovery in America has begun. Inflation has plummeted. Real wages are rising. Industrial production is increasing. Our housing industry is rebounding, and our auto industry is on the upswing. The Big Three are predicting their first year of profits since 1979. One company alone is recalling more than 21,000 workers.

Interest rates, once crippling our economy, are half what they were—10½ percent as of this weekend. And we hope to get them still lower. Unemployment has begun to drop. Personal savings are building, and our overall productivity is up. In fact, our leading economic indicators have been up, signaling a recovery for 8 out of the last 9 months.

I know that times are still difficult. I remember what it was like to be elected Governor and immediately face an enormous revenue shortfall. It has happened before. But our programs for sound fiscal management, spending control, and tax-rate reduction are based on economic principles that consistently produce prosperity.

Our federalism proposals, designed to return decisionmaking to governments closest to the people, are fundamental to our Republic. I would like to thank each of you, and especially your federalism negotiating team, for the efforts that you've made to achieve our federalism reforms.

I hope that in the year ahead we can continue to work together in a bipartisan spirit in the best interests of all our people. We stand at the threshold of great economic growth. But I need your help and your support if we're to realize the potential before us.

As Benjamin Cardozo, the Supreme Court Justice, once said, "The several states must sink or swim together." The Federal Government cannot solve America's problems without your help, just as you need assistance from us. Let us act together, so that when history looks back on our days of decision, it will record that we found the courage, met the challenge, and worked as one to bring about better days for all Americans, in each region and in every

walk of life.

You know, we are unique in all the world with our exact setup, and that is that we were meant to be and must always be a federation of sovereign States. I know of no other government in the world that maintains this, and I believe it is the greatest guarantee of individual liberty that this country has.

So, I thank you for your help and guidance, not only this week but in the last year. And I ask you to join me in a toast to continued cooperation between State capitals and Washington as together we lay the foundations for a more accountable government and a more prosperous future.

Thank you.

Governor Matheson. Mr. President, we're grateful for your hospitality this evening. Many of us have been here many years, and this is the seventh occasion for Norma and for me. It's always as delightful and as exciting as ever.

And this is especially excellent this evening, because normally we come on Tuesday night. *[Laughter]* But you have other responsibilities. We thank you for the special attention you have given the Governors and their ladies by allowing us to come here on Sunday night and join with you in this great, traditional event.

We're here to do the Nation's business. We're working very hard and spent a day facing up to the responsibilities that chief executives have—budget problems throughout the country. You were Governor of California. I'm not sure that Governor Deukmejian wouldn't be very happy to trade places with you right now with that—*[laughter]*—\$1.8 billion deficit which he's coping with. But the States are in serious trouble in terms of their economies, and we see glimmers of hope, change in the economy. And we're grateful for that. And we're here to do the job for all of the people.

We're grateful for the support, for the cooperation and the assistance that you have given us as President and the people that serve us from the White House. Coming from the small State of Utah, I think I should point out to you, Mr. President, that you successfully garnered 73 percent of the vote in 1980. And I must tell

you I was very grateful to win that year. [Laughter] But this is a time for all of us to work closely together.

And as chairman of the National Governors' Association this year, it's our pleasure to be here with you this evening and my

pleasure to offer a toast to the President of the United States.

Note: The President spoke at 9:30 p.m. in the State Dining Room at the White House.

Statement on Transmitting to Congress Proposed Natural Gas Deregulation Legislation February 28, 1983

It is a pleasure today to do what we long have anticipated: to send to Congress our proposal for correcting problems that have resulted from excessive regulation of the natural gas market. Our goal must be to obtain an adequate supply of natural gas at a reasonable price. Anything less is not sufficient and will not solve the problems currently faced by many Americans who depend on natural gas.

In recent months, thousands of people have written to me, to Members of Congress, and to State and local officials expressing their distress about rapidly rising natural gas bills. Some areas of the country have been especially hard hit. It is clear that consumers are being poorly and unfairly served by the existing regulatory system—a system which prevents natural gas producers and their customers from establishing contracts that respond to market forces, including *downward* pressure on prices that otherwise would occur as a result of plentiful gas supplies and declining oil prices. There is widespread agreement that something must be done to relieve the regulatory straight jacket in which the natural gas market now operates.

The proposal I am submitting to the Congress today will achieve the needed result. It is not a partisan plan, nor does it resort to seemingly simple “quick fixes,” which would turn out to be neither simple nor quick and ultimately would not fix the problems. Instead, our approach is a comprehensive proposal that can—and I believe

will—be supported by Congressmen and Senators of both parties and will be beneficial to the consumers they represent.

Our legislative package will allow, but not require, the parties to negotiate toward a free market, so that there will be real and long-term incentives to produce and market abundant gas supplies at the lowest possible cost. In this regard, I note the declines in gasoline and home heating oil prices that have occurred since we deregulated oil 2 years ago.

Although we believe free markets not only can, but will, achieve these results, the American consumer need not take this on faith alone. To assure that the consumer is protected, I have insisted on a provision which reverses the present law by providing that, until 1986, there will be a moratorium on the automatic pass-through of increased gas costs other than those increases attributable to inflation, which as you know has been declining steadily.

We believe these ideas offer the best achievable combination of consumer protection and efficient, economic use of our valuable gas resources. I look forward to working closely with the Congress to obtain passage of this urgently needed legislation without delay.

Note: The President's statement was sent to the Congress together with his message transmitting the proposed legislation, a copy of the draft bill, and a section-by-section analysis of the bill.

Message to the Congress Transmitting Proposed Health Care Incentives Reform Legislation

February 28, 1983

To the Congress of the United States:

I am today transmitting to the Congress legislation comprising the Health Incentives Reform program. This legislation reforms health care financing policies to constrain rising health care costs and to keep high quality health care affordable for all Americans. Because of the coming shortage in the Medicare Trust Fund, prompt action is particularly important.

This legislative package addresses the underlying causes of excessive increases in health costs: the perverse incentives operating in the market for health services. Cost-based reimbursement, poorly structured cost-sharing, and open-ended tax subsidies for health insurance have contributed to inefficiency and inflation in the health sector. Our proposals correct these incentives. Our plan involves all participants in the health care market in restructuring financing and service delivery arrangements: providers and patients, physicians and hospitals, and beneficiaries of public programs as well as privately insured workers. Thus it shares the responsibility for bringing down health care costs fairly among all segments of society.

The Health Care Cost Problem

The need for action now is clear. Health care costs are climbing so fast they may soon threaten the quality of care and access to care which Americans enjoy. In 1982 health care costs went up almost three times the national inflation rate. Taxpayers have seen Federal outlays for Medicare and Medicaid go up nearly 600 percent since 1970. Health care funding is one of the fastest-rising expenditures in the Federal budget. The cost of health insurance rose 15.9 percent in 1982, the biggest increase ever. Health care costs are consuming a growing portion of the Nation's output: 10.5 percent of GNP in 1982, compared with 5.9 percent in 1965.

The cost of the average hospital stay jumped from \$316 in 1965 to \$2,168 in

1981. American taxpayers (mainly through Medicare and Medicaid) pay a large part of those costs: 40 percent of all hospital bills.

Rising health care costs are a problem that affects everyone. The elderly, who are covered by Medicare, face the threat of catastrophic illness expense, against which Medicare offers no protection. The poor on Medicaid have seen coverage reduced as States have been forced by rising costs to make cutbacks. Workers with employment-based health insurance have received lower cash wages, because of the unchecked cost increases for health benefits. Americans pay for health care costs in other hidden forms, including higher costs for the merchandise they buy, since the costs of employee health care benefits must be included in the price of products.

As is the case with many of our national difficulties, past Federal policy has been a part of the problem. These policies have thwarted normal incentives for efficiency in health care.

- Medicare's cost-based system has actually rewarded inefficiency by paying more to less efficient, higher cost hospitals.

- Cost sharing in Medicare has been backwards. Those who are less ill, and could act to keep their hospital stays shorter have been given no cost incentive to do so, and severely ill patients have been penalized with high cost sharing and no catastrophic coverage.

- Federal tax policy has created a bias for high priced medical coverage instead of wages, since employer contributions to health care benefits are not treated as income to the employee.

- Federal health care programs have made too little use of competitive bidding practices.

- Medicare beneficiaries have been unable to enroll in efficient private health plans.

- Unnecessary regulations have added to higher costs in past years.

The Elements of Health Incentives Reform

The Health Incentives Reform package contains a number of specific provisions which address each facet of our multi-pronged strategy. First, it initiates Medicare coverage for the catastrophic costs of lengthy hospital stays and improves Medicare's cost-sharing provisions. These reforms encourage efficiency while reducing the cost burden on the severely ill.

The plan establishes a prospectively-set hospital rate structure under Medicare that rewards cost-effective hospital practices. This contrasts with the traditional Medicare policy of reimbursing hospitals retrospectively for whatever "reasonable" costs they incurred.

The plan limits the open-ended tax subsidy of relatively high-cost private health plans, which biases employee compensation towards elaborate health coverage instead of cash wages.

The plan expands opportunities for Medicare beneficiaries to use their benefits to enroll in private health plans as an alternative to traditional Medicare coverage.

The plan freezes payments to physicians under Medicare's reasonable charge system for one year at 1983 levels.

The plan provides for gradual yearly increases in the Medicare Part B premium and deductible once again to cover a sufficient portion of the program's costs through beneficiary payments.

The plan expands authority under Medicare for the use of competitive bidding procedures and other cost efficient approaches for the purchase of laboratory services, durable medical equipment, and other non-physician services and supplies. Furthermore, payment for durable medical equipment provided through home health agencies would be limited to 80 percent, the same percentage covered by Medicare under other circumstances.

A provision of the plan will entitle the elderly to Medicare benefits on the first day of the full month that individuals meet all eligibility conditions. At present, entitlement begins on the first day of the month in which an individual meets the conditions for only one day. This proposal is consistent with initial Social Security eligibilities for

individuals who attain age 62. Also, most private insurance coverage now remains in effect until Medicare coverage begins; thus most beneficiaries would not be affected.

Finally, the plan makes two changes in Medicaid. The reduction in Federal payments to States authorized by the Omnibus Budget Reconciliation Act of 1981 would be extended beyond 1984 for an indefinite period. The reduction would be cut, however, from 4.5 percent to 3 percent. In addition, Medicaid beneficiaries would have to make nominal copayments for outpatient visits and hospital stays.

Our legislative package contains additional Medicare and Medicaid provisions to strengthen program management, simplify requirements for program participation, produce savings in program spending, and reduce waste, fraud and abuse in these programs.

Medicare Catastrophic Coverage and Cost-Sharing Reform

The "Medicare Catastrophic Hospital Costs Protection Act of 1983" improves coverage for long and expensive hospitalizations and introduces modest coinsurance on the initial days of hospitalization.

The current Medicare Hospital Insurance program neither adequately protects beneficiaries in cases of prolonged illness, nor provides financial incentives to minimize unnecessary utilization of services. Medicare covers only 90 to 150 days of hospitalization during a spell of illness (depending on whether a "lifetime reserve" of 60 days has been previously exhausted), even if additional hospitalization is clearly warranted. After the 60th day, cost sharing becomes onerous. Patients pay 25 percent of the inpatient hospital deductible (\$88/day) for the 61st to 90th day and 50 percent (\$175/day) for lifetime reserve days. On the other hand, after a deductible is paid for the first day, no coinsurance at all is imposed until the 61st day of hospitalization, eliminating any financial incentive for the beneficiary to leave a hospital as soon as it is medically advisable to do so.

The bill provides Medicare reimbursement for unlimited days of hospitalization under the Medicare Hospital Insurance pro-

gram. At the same time, the bill imposes coinsurance for a maximum of 60 days annually (8 percent of the inpatient hospital deductible for the 2nd through 15th day of a spell of illness and 5 percent thereafter) to encourage beneficiary cost-consciousness and the efficient use of health resources. The bill also limits to two the number of inpatient hospital deductibles that could be imposed annually (no matter how many spells of illness occur) and reduces the skilled nursing facility coinsurance rate from 12.5 to 5 percent of the inpatient hospital deductible.

Prospective Payment for Inpatient Hospital Services Under Medicare

The "Medicare Prospective Payment Rates Act" will establish Medicare as a prudent buyer of services and will ensure for both hospitals and the Federal government a predictable payment for services. This system of payment can be implemented in October, 1983.

Medicare traditionally paid hospitals retrospectively determined reasonable costs. This system essentially paid hospitals for whatever they spent. There were, therefore, weak incentives for hospitals to conserve costs and operate efficiently. It is not surprising that under this system hospital expenditures have been and are continuing to increase rapidly. Medicare expenditures for hospital care have increased 19 percent annually from 1979 to 1982. The cost of a service varies substantially from hospital to hospital.

The Tax Equity and Fiscal Responsibility Act (TEFRA) changed this system of hospital reimbursement by placing limits on what hospitals could be paid. My proposal builds upon the TEFRA improvements. This bill establishes a system of prospectively determined rates which will foster greater efficiency in the provision of hospital services. Medicare payments for operating costs will be specifically related to the patient's condition, but will not vary from hospital to hospital (except to allow for differences in area wage rates). Rates will be set for each of 467 diagnosis-related groups. Capital expenditures and medical education costs will be excluded initially from the calculation of basic payments and reimbursed

separately. Additional payments will be made for unusual cases involving exceptionally long hospital stays.

To the extent that a hospital operates efficiently it would earn a surplus, and to the extent it operates inefficiently it would show a deficit. Hospitals with higher costs will not be able to pass on extra costs to Medicare beneficiaries and thus will face strong incentives to make cost-effective changes in practices.

Changes in the Tax Treatment of Employer Contributions to Health Plans

The Health Costs Containment Tax Act of 1983 is designed to encourage employers to provide an adequate level of health benefits to their employees, while eliminating the open-ended tax preference for health benefits over cash wages.

Under current tax law an employer's contribution to an employee's health plan is not included in the employee's gross income. This bill will limit tax-free health benefits paid by an employer to \$175 per month for a family plan and \$70 per month for individual coverage. These limits will be indexed to increase yearly in proportion to the Consumer Price Index. Employer contributions above these amounts will be included in the employee's income and taxed (income and Social Security) accordingly. Thus, individuals can choose to purchase as much health insurance as they wish with after-tax dollars, but the tax laws will not subsidize the purchase of unlimited health insurance.

Elaborate health benefits funded with tax-free, employer-paid contributions are inflationary—they insulate consumers, providers, and insurers from the cost consequences of health care decisions. By doing so, they contribute both to the persistence of inefficient forms of health care financing and delivery and to overuse of health services. The limit on tax-free benefits will help to alleviate these problems while allowing employers to provide adequate tax-free coverage to protect an employee against the serious financial consequences of illness. Employees will be free to purchase more comprehensive health care coverage with after-tax dollars.

The proposal will be effective on January 1, 1984, except with respect to collective bargaining agreements in effect on January 31, 1983, which will not be subject to the new rules until the earlier of January 31, 1986, or the first date on which such agreement is reopened after January 31, 1983.

Optional Medicare Voucher

The provision of the Health Incentives Reform package that creates an opportunity for Medicare beneficiaries to enroll in alternative health plans is contained in the "Medicare Voucher Act of 1983."

Last year Congress, with the support of my Administration, amended the Medicare statute to permit payments on a risk basis to HMOs and other competitive medical plans that provide Medicare beneficiaries with coverage at least as extensive as the Medicare benefit package. The optional voucher provision will build on current law by allowing Medicare beneficiaries to use Medicare benefits to enroll in a wider array of private health plans. Medicare will contribute an amount equal to 95 percent of what it would have cost to care for the beneficiary if he or she had elected traditional Medicare coverage. If a beneficiary selects a private health plan with a premium lower than Medicare's contribution, the beneficiary will be eligible for a cash rebate from the private plan. If, on the other hand, the private plan costs more than Medicare's contribution, the beneficiary must pay the difference.

Enrollment in a private health plan will be voluntary. Once a year, beneficiaries will have the opportunity to switch private health plans or to elect traditional Medicare coverage. A qualified health plan may be an HMO, an indemnity insurer, or a service benefit plan. All private plans must cover, at a minimum, the services provided under Parts A and B of Medicare, and must participate in a coordinated annual open enrollment period.

Medicare Physician Payment Freeze and Hospital Reimbursement Limits

The other provisions of this package are contained in the "Health Care Financing Amendments of 1983."

Medicare customary and prevailing

charges for physician services will be held at 1983 levels for one year beginning in July, 1984. Under current law prevailing charges would otherwise be increased in July, 1984, by the annualized 1984 value of the Medicare Economic Index while increases in customary charges would not be constrained. This limit is consistent with other steps contained in the Budget to reduce the structural deficit.

The Tax Equity and Fiscal Responsibility Act (TEFRA) limited the increase in hospital expenditures under Medicare to the increase in the cost of goods and services hospitals purchase (the hospital "market basket index") plus one percent. This provision amends TEFRA to limit the rate of increase in hospital expenditures for fiscal year 1984 only to the increase in the hospital market basket index.

These proposals are part of a government-wide freeze aimed at reducing the Federal deficit. Medicare spending for physicians increased by 21 percent in 1982 and is expected to rise by 19 percent in 1983 and 17 percent in 1984. As mentioned earlier, Medicare hospital expenditures have grown at comparable rates. In this time of fiscal crisis, we must ask all participants in the health care market, physicians, hospitals, and program beneficiaries, to do their part in slowing increases in spending.

Graduated Increases in the Supplementary Medical Insurance (SMI) or Part B Premium

This provision will freeze the Part B premium at the present \$12.20 per month for the remainder of 1983, instead of increasing it to \$13.50 in July as was previously announced. The delay coincides with the delay in the cost-of-living increase for Social Security recommended by the National Commission on Social Security.

In January, 1984, the Part B premium will be set at 25 percent—the percentage specified in current law—of program costs for aged beneficiaries for that calendar year. Over the next four years, the Part B premium will be increased 2.5 percentage points each year, to reach 35 percent of program costs for the elderly in January, 1988. Thereafter, the premium for each calendar year would be set at 35 percent of

program costs (the actuarially adequate rate) for the elderly for that year. When Medicare began, Congress envisioned that the elderly would bear 50 percent of SMI costs and the law initially required that SMI costs be equally financed by the general taxpayer and the users of SMI services.

By gradually raising the SMI premium to 35 percent of program costs, this provision provides for a more equitable balance between general revenue and premium financing of Medicare Part B.

Indexing the Part B Deductible

The Part B deductible will be increased in January of each year based on annual changes in the Medicare Economic Index. This provision would maintain the constant dollar value of the deductible.

The 1981 Reconciliation Act increased the Part B deductible from \$60 to \$75. Before this amendment, the deductible had remained at \$60 since 1972, despite a 250 percent increase in program reimbursements per aged enrollee between 1972 and 1981.

Current law does not provide for future increases in the deductible. As a result, the initial beneficiary liability for medical services will decrease in real terms over time and these costs will be shifted to the Federal government. Furthermore, the value of the deductible as a deterrent to unnecessary utilization will again diminish.

Other Proposals

The legislation I am submitting today includes other items, all of which are designed to make Medicare and Medicaid more effective and efficient programs. They include, among others, proposals for competitive purchasing for laboratory services and durable medical equipment and reimbursement charges for certain Medicare services.

Nominal Medicaid Copayments

This provision requires States to impose nominal copayments on all Medicaid beneficiaries for hospital, physician, clinic, and outpatient department services. Specifically, the categorically needy would have to pay \$1 per day for hospital services and \$1 per visit for physician or outpatient serv-

ices. The medically needy would have to pay \$2 per for hospital services and \$1.50 per visit for physician services. Beneficiaries who are enrolled in HMOs or who are institutionalized would be exempt from all co-payment requirements.

First-dollar insurance coverage, such as that which Medicaid provides, leaves the consumer with virtually no financial incentive to question the need for services. Services that are totally free are likely to be overutilized. If patients share in some of the costs, they and their physicians will reduce unnecessary or marginal utilization. There is substantial evidence that cost-sharing can reduce health care costs, mostly by reducing unnecessary utilization.

Budgetary Effect of the Health Incentives Reform Package and Other Medicare and Medicaid Provisions

These provisions will have a substantial impact on reducing the size of the Federal budget and the Federal deficit. In fiscal year 1984 this legislative package will have a cumulative budgetary impact of \$4.2 billion: the net Medicare impact of spending reductions and premium increases is a budgetary reduction of \$1.7 billion; Federal Medicaid spending reductions amount to \$256 million, and increased tax revenues from the change in the tax treatment of employer-paid health benefits amount to \$2.3 billion. These savings are sustained and, in fact, grow in subsequent years.

The legislation that we are advancing today reflects our most thoughtful effort to address and reform the basic economic incentives that operate in the health care sector. Since health care now represents over 10 percent of our Nation's Gross National Product and is growing as a proportion of GNP each year, the enormous task of structural reform is well worth undertaking. As I mentioned earlier, we have taken great care to devise a legislative package that shares the responsibility for such reform and the burden of reductions in health care financing fairly among all segments of our society. The distribution of budgetary savings among workers and Medicare and Medicaid beneficiaries confirms our efforts in this regard.

Our need to constrain the growth of our national spending for health care in the interests of a healthy and stable economy is urgent. Regulatory approaches to health care cost containment tried previously have proven ineffective and sometimes counterproductive to this goal. I urge you to join

me in facing the challenge before us and consider favorably our approach to health incentives reform.

RONALD REAGAN

The White House,
February 28, 1983.

Nomination of John Davis Lodge To Be United States Ambassador to Switzerland

February 28, 1983

The President today announced his intention to nominate John Davis Lodge, of Connecticut, as Ambassador to Switzerland. He would succeed Faith Ryan Whittlesey, who has accepted the position as Assistant for Public Liaison at the White House.

Mr. Lodge served in the United States Navy in 1942–1946 and was in the United States Naval Reserve until 1966, as captain. He was a law clerk with Cravath, de Gersdorff, Swaine and Wood (New York City) in 1929–1931 and in 1931–1932, he had an individual law practice in New York City. From 1932 to 1942, he was an actor with motion picture producing companies in the United States, England, France, and Italy. In 1946 he was with the American Economic Foundation. From 1946 to 1950, he was a United States Representative from the State

of Connecticut and was Governor of the State of Connecticut in 1951–1955. He was Ambassador to Spain (1955–1961) and to Argentina (1969–1974). From 1961 to 1969, he was on speaking tours and engaged in political activity. Since 1974 he has been a speaker and writer in Westport, Conn. In 1982 he served as United States Representative to the Thirty-seventh Session of the General Assembly of the United Nations.

Mr. Lodge graduated from Harvard University (B.A., 1925) and Harvard Law School (J.D., 1929). He attended the École de Droit in Paris in 1925–1926. His foreign languages are bilingual French and Spanish, fluent Italian, and some knowledge of German. He was born October 20, 1903, in Washington, D.C.

Appointment of James B. Furrh, Jr., as United States Federal Representative on the Sabine River Compact Administration

February 28, 1983

The President today announced his intention to appoint James B. Furrh, Jr., to be Federal Representative of the United States on the Sabine River Compact Administration (Louisiana and Texas). He will succeed Lamar E. Carroon.

Mr. Furrh has operated as an independent geologist, primarily in Mississippi, Alabama, Florida, north Louisiana, east Texas,

and Arkansas, since 1960. From 1954 to 1960, he was employed as petroleum geologist by Ohio Oil Co. (now Marathon Oil Co.) in Jackson, Miss.

He graduated from the University of Texas at Austin (B.A., 1948; B.S., 1950). He is married, has three children, and resides in Jackson, Miss. He was born April 13, 1926, in Marshall, Tex.

Appointment of the Chairman and Vice Chairmen of the President's Committee on Employment of the Handicapped March 1, 1983

The President today announced his intention to appoint Harold Russell to be Chairman of the President's Committee on Employment of the Handicapped. This is a reappointment.

Mr. Russell currently serves as president of Harold Russell Associates. He is married, has two children, and resides in Centerville, Mass. He was born January 14, 1914.

The President also announced his intention to appoint the following individuals to be Vice Chairmen of the President's Committee on Employment of the Handicapped:

B. Elizabeth Tunney will succeed Charles Pillard. She is presently serving as representative for legislation/political action for the National

Union Hospital Health Care Employees—1199 and Retail, Wholesale and Department Store Union (International). She resides in Mechanicsburg, Pa., and was born March 5, 1941.

Anne H. Carlsen will succeed Judith Huemann. She is retired administrator and currently consultant for the Anne Carlsen School for Physically Handicapped in Jamestown, N. Dak. She resides in Jamestown and was born November 4, 1915.

Gerald M. Lorentson will succeed Jayne B. Spain. He is serving as president of Concepts for Independent Living in Seattle, Wash., where he resides. He was born February 25, 1942.

Walter Y. Oi will succeed Robert G. Sampson. He is professor of economics at the University of Rochester. He resides in Rochester, N.Y., and was born July 1, 1929.

Letter to the Speaker of the House and the President of the Senate Transmitting Proposed Legislation on the International Monetary Fund March 2, 1983

Dear Mr. Speaker: (Dear Mr. President:)

I transmit herewith a draft bill "to amend the Bretton Woods Agreements Act to authorize consent to and authorize appropriations for an increase in the United States quota in the International Monetary Fund and to authorize appropriations for increased U.S. participation in the General Arrangements to Borrow."

The proposed bill would authorize an increase of SDR 5,310.8 million (approximately \$5.8 billion at current exchange rates) in the United States quota in the International Monetary Fund (IMF), to the level of about SDR 17.9 billion; and an increase of approximately \$2.7 billion in U.S. participation in the IMF's General Arrangements to Borrow (GAB), to a new total of SDR 4,250 million. These proposed increases are part of an overall expansion of IMF quotas totaling about SDR 28.9 billion and an expansion

of the GAB totaling about SDR 10.6 billion.

These measures are required now because the world economy faces economic and financial problems which are without precedent in the postwar era. There is a natural tendency in time of recession, high unemployment and international economic uncertainty toward protectionism and financial contraction—reactions which were the seeds of the depression of the 1930s. The International Monetary Fund was created in the aftermath of World War II, largely at the initiative of the United States, to provide a constructive counter to those tendencies and prevent a recurrence of the slide into world depression.

The IMF remains the centerpiece of international efforts to deal with these problems in an orderly and constructive way, by supporting its members' efforts to correct

their balance of payments problems through adoption of sound economic policies. However, the IMF's resources are under serious strain. Its ability to commit the medium-term financing necessary to allow member countries time to implement corrective economic policies is likely to be exhausted during the course of 1983 or early 1984. It is essential that the IMF have adequate resources to fulfill its vital responsibilities. Failure to resolve current world economic and financial difficulties in an orderly manner would result in a downward spiral of world trade and billions of dollars in simultaneous loan losses. This would pose a fundamental threat to the international economic system, and to the U.S. economy. Prospects for the economic recovery and expansion necessary to generate new jobs would be dashed, not only in the United States, but around the world.

I therefore strongly recommend prompt enactment of legislation to give effect to the proposed increase in the United States quota in the IMF and to the proposed increase in United States participation in the IMF's General Arrangements to Borrow.

The world's current economic problems are attributable to several factors, including the rapid inflation of the 1970s, the twin oil "shocks" of that decade, high interest rates, the worldwide recession, and countries' failure to adjust to a rapidly changing world economic environment. These developments led to a very rapid rise in international lending and a build-up in external debt which in some cases, particularly in a period when inflation is being brought under control, are no longer sustainable. Major borrowers abroad are finding it extraordinarily difficult to find the financing needed to sustain economic activity, purchase essential imports, and service their external debts. As a consequence, important segments of the United States economy and financial system, and a number of countries of critical importance to America's national interests, are in a vulnerable position. The health of the United States economy and the well-being of its citizens are tied directly to the recovery and growth of other nations. Our own self-interests, therefore, demand that we demonstrate the leadership required to assure an orderly transition

in a turbulent world environment.

The dependence of the United States on the world economy has grown rapidly. Today, nearly 20 percent of total U.S. goods produced are exported abroad. Some 40 percent of our agricultural production is exported. U.S. banks account for about one-third of total international bank lending, and they rely heavily on foreign sources for loanable funds. All told, more than 5 million U.S. jobs depend on exports, and those jobs in turn depend on healthy markets abroad. Foreign trade accounted for four out of every five *new* jobs in U.S. manufactures in the late 1970s. Our services trade surplus grew more than elevenfold between 1970 and 1980. Our surplus in high technology trade has increased from \$7.6 billion to \$30 billion in that period. Combining goods and services, estimates show that one-third of U.S. corporate profits derive from international activities. Going one step further, our trade relationships with the developing countries have expanded even more rapidly than our overall trade. In the last few years, trade with LDCs has accounted for nearly 40 percent of the overall growth of American exports.

Clearly, the United States has a major direct interest in assuring a strong world economy and a smoothly functioning international monetary system. Conversely, sharp cutbacks in imports by borrowing countries, necessitated by economic collapse or inadequate financing, would have a direct and damaging impact on not only our financial system but on American workers, farmers, manufacturers and investors. On the banking side, sudden losses on foreign loans would squeeze earnings and capital positions. This in turn would impair banks' ability to finance world trade and could lead both to a reduction in their ability to lend to domestic customers and to higher interest rates.

The IMF plays a key role in helping its member countries make the economic adjustments needed to correct their economic problems and restore their creditworthiness in the world marketplace—adjustments at the national level which are the essential ingredient of a sound international economy. The IMF also provides strong support

for a more open trade environment through economic programs which emphasize reliance on market-oriented economic policies.

The proposed increase in IMF resources is one part of a comprehensive strategy to resolve current world economic problems. This strategy involves adoption of sound adjustment measures by borrowing countries; IMF support in helping those countries design their adjustment programs, in formulating comprehensive financing plans to accompany their adjustment efforts, and in providing a portion of the financing required; continued provision of financing by the commercial banking system where borrowers undertake and implement a sound IMF supported economic program; official willingness to provide emergency short-term liquidity support, where that is essential in the interim while IMF adjustment and financing programs are developed and put in place; and achievement of a broad-based, non-inflationary recovery in the industrial nations, which will provide expanding markets and a basis for the adjustments borrowers must make. The IMF is at the heart of this strategy. It simply must have adequate resources to fulfill its vital responsibility.

I believe the United States is on the verge of an impressive, non-inflationary and sustained recovery. Recovery in the United States is important to global recovery; but, by the same token, failure to deal effective-

ly with problems facing the international economy could quickly undermine our own domestic economic efforts and prospects. Approval by the Congress of the proposed increases in our IMF quota and our participation in the General Arrangements to Borrow is a critically important component of our program to assure economic recovery and growing employment in the United States.

A report of the National Advisory Council on International Monetary and Financial Policies, which provides background information on the proposed increases in the U.S. quota in the IMF and in U.S. participation in the General Arrangements to Borrow, is being transmitted to the Congress separately. I strongly urge the Congress to consider the proposed increases promptly and favorably.

It will be appreciated if you will lay the enclosed draft bill before the House of Representatives (Senate). An identical proposal has been transmitted to the President of the Senate (Speaker of the House of Representatives).

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.

Nomination of John Lathrop Ryan To Be a Governor of the United States Postal Service

March 2, 1983

The President today announced his intention to nominate John Lathrop Ryan to be a Governor of the United States Postal Service Board of Governors for the remainder of the term expiring December 8, 1989. He would succeed Wallace Nathaniel Hyde.

Mr. Ryan is currently serving as executive vice president of Dean Brothers Pumps, Inc., in Indianapolis, Ind. He was Charter

Commissioner and Chairman of the United States Postal Rate Commission in 1971-1973. He served as a member of the Marion County Welfare Board in 1980.

Mr. Ryan received a bachelor of arts degree from Harvard University. He is married and resides in Indianapolis, Ind. He was born July 16, 1921.

Appointment of James S. Dwight, Jr., as a Member of the Advisory Commission on Intergovernmental Relations

March 2, 1983

The President today announced his intention to appoint James S. Dwight, Jr., to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. He will succeed Eugene Eidenberg.

He is a partner in the firm of Deloitte, Haskins and Sells in Washington, D.C. He served as Administrator for Social and Rehabilitation Service at the Department of

Health, Education, and Welfare in 1973-1975. He was Associate Director of the Office of Management and Budget, Executive Office of the President, in 1972-1973.

He graduated from the University of Southern California (B.S., 1956). He is married, has four children, and resides in Arlington, Va. He was born March 9, 1934.

Statement on the Economic Recovery

March 2, 1983

By registering their biggest monthly surge in nearly 33 years, the leading economic indicators in January flashed a bright green light for recovery. They provide compelling new evidence that the United States economy is rapidly gaining strength. Nine of the ten indicators rose, with solid gains in the average work week, new orders, and building permits.

Our great national struggle to make this

economy well again is beginning to pay off. For the sake of every American, it is imperative that the Congress work with our administration in a bipartisan spirit to build a lasting recovery that will create more jobs. If we do, and we resist going back to the inflationary policies of the past, we can create an era of prosperity filled with new opportunities for the American people.

Statement by Deputy Press Secretary Speakes on the Environmental Protection Agency

March 2, 1983

This morning, the President was briefed by Jim Baker [Assistant to the President] on the current status of matters involving the Environmental Protection Agency. The President directed the following steps be taken:

One, Congress shall continue to have complete access to any and all documents they seek in conjunction with the oversight of EPA. At the President's direction, Congress is not to be denied access to any document. These instructions extend agreement with the Levitas committee [Subcommittee on Investigations and Oversight of the

House Committee on Public Works and Transportation] to all committees.

Number two, the Department of Justice has been directed by the President to meet promptly with Chairman Dingell to seek from him all information he may have in reference to allegations of misconduct at EPA.

The President also reaffirmed his direction to the Justice Department that they move forward as expeditiously as possible with the investigation of all allegations of misconduct at EPA. This reaffirms the di-

reactions he gave on February 15th in a letter from Fred Fielding [Counsel to the President] to the Attorney General.

The final item is that the President instructed his staff to keep him fully abreast of all information concerning the EPA.

Note: Deputy Press Secretary Larry M. Speakes read the statement at his briefing for reporters, which began at 10:43 a.m. in the Vista Mar Monte Room at the Santa Barbara Sheraton Hotel in Santa Barbara, Calif.

Remarks at a Luncheon Meeting of the United States Olympic Committee in Los Angeles, California

March 3, 1983

Thank you very much and—everyone except Bob—[laughter]—on account of I shouldn't have to follow that. [Laughter] No, I do thank him and I thank all of you for a very warm welcome.

Members of the Olympic Committee, Reverend Moomaw, Mayor Bradley, Senator Wilson, John Naber, Bob Hope, all the distinguished guests:

I have to say one thing about my very good friend and my minister, Donn Moomaw. You know he was a linebacker for the Bruins. When I was Governor, I took him to a couple of football games in which the Bruins were playing. I thought my playing days were over, but you should sit beside him in a stadium when the Bruins are playing. It gets to be a pretty physical experience. [Laughter]

But I'm pleased that my pleasant but official duties of welcoming the Queen permitted me to be here with you today. I must admit that every time I visit California, it gets harder and harder—and, Pete, you're going to find this out—to get on that plane and go back East. Even with the bad weather out here, it's better than most parts of the world.

A few weeks ago, we had a blizzard in Washington. Some of the Californians on my staff learned what it means to be snowed in. Yet even when the temperature was below freezing and snow covered the ground, believe it or not, joggers were still seen making their daily run. Although those hardy souls certainly had more tenacity than most, they represent a dramatic change of attitude that's taken hold over the last two decades. Today, as never

before, Americans are actively engaged in personal exercise and physical fitness programs, a health trend we should all encourage.

Lately I haven't had as much time for my equestrian pursuits—there's no bridle path at the White House—but I work out on a regular basis because they do have a gym upstairs there. And I'll have to admit I don't have the same caliber of adversary as our Olympic athletes, but it does help to stay in shape when you're facing the fighting Irish in the form of Tip O'Neill. [Laughter]

Incidentally, I have to inject a little news item right here, though—and that was a joke. Seriously, I want to—[laughter]—I want to be serious a little bit about some of our sports back there.

The Ways and Means Committee, the all-powerful committee of the House of Representatives, in an overwhelming, bipartisan move has voted 32 to 3 in favor of, and sent out to the floor, the social security compromise plan. And that was Chairman Dan Rostenkowski and then the ranking minority leader, Barber Conable, and the sub-chairman, Jake Pickle. And I hope that the full House and Senate will follow their lead and protect social security for years to come by showing the same bipartisanship. And this will also guarantee, I think if they will continue on that, a solid economic recovery.

Now, I know we've got a good number of Olympians with us today. Some have been, for one reason or another, introduced. But I just wondered if all, present and past, of the Olympic athletes who are here today could stand up so that we can give them a round

of applause—for what they've done, what they're doing and going to do. The truth is I just really wanted to see them all. [*Laughter*]

Well, you know, when I was a bit younger, being involved in athletics I, like so many others, dreamed about the Olympics. I didn't get very close to them. The closest, I think, was at the University of Illinois. It was the State track and field championships for the high schools of Illinois. I was on the 880 relay, and I can remember handing off the baton to our anchorman. We didn't win, because there was a young fellow that was also anchorman on a high school team from Chicago: Ralph Metcalfe went on to win gold medals in '32 and in '36 in the Olympics.

He and Jesse Owens were very, very special to my generation. I can remember what a great source of pride it was when they won that day in Berlin and Adolf Hitler, with his Aryan supremacy stupidity, had to stand up and swallow that stupidity when the gold medals were placed around the necks of some of our fine black athletes.

Ralph Metcalfe and Jesse Owens were much more than great athletes; they were great Americans. Ralph went on to become a Member of the United States House of Representatives for a number of years.

Sports in general and the Olympics in particular bring us together as nothing else. One of our first great sports heroes was John L. Sullivan, heavyweight champion of the world at a time in this country's history when there was a great discrimination against the Irish. And when Jim Corbett finally took his title as heavyweight champion of the world. Sullivan, I think, won the hearts of his fellow countrymen when he said, "I have fought once too often, but if I had to get licked, I'm glad it was by an American."

How can we ever forget the moment when another boxer, a young man, George Forman, from an underprivileged background, proud to be representing our country at the Olympics in Mexico City at a time when there was great ill feeling and the age 30 was a barrier to some in this country and all, and then he—how he had it throughout the fight, where he had it, I'll never know—but when victory was an-

nounced and he stood in the middle of that ring and suddenly unfurled a small American flag and stood with that flag raised, it was a thrill, I think, for everyone in our country, I say it was in the turbulent sixties. He showed us that whatever divides us, it's not as strong as what keeps us together.

And then there were those young men at Lake Placid, that team that—their coach told them before the game, before they went out to meet the Russians, and he said, "You were born for this moment. This is your moment." And I think we'll never forget the picture of those young fellows after that victory there on the ice, those young Americans when they certainly were not the favorite to win by a long ways, but they did.

Win or lose, we've always been proud of our athletes. And I think that all of you, especially you here at the front table—Don Miller and Peter Ueberroth, George Moody, and Don Crivellone—can be rightfully proud of the part that you're playing. You and others who are providing the support for our team, as well as those who are helping to organize the event itself, deserve more than a word of thanks. And I'm happy today to be able to extend it to you on behalf of the American people.

I appreciate the magnitude of the task that you've taken upon yourselves, the pricetag for selecting, training, and supplying your Olympic team, as you've told us, \$77 million. Raising that money and making sure that it's spent effectively is an enormous responsibility. And this year Americans are not only supporting their own team, but they're also responsible for the games themselves.

Today you're part of a noble American tradition of direct citizen involvement. If it weren't for citizens like you who take it upon themselves to support our athletes, the American team would be left wanting, as it has many times in the past. Unlike some other countries, American teams, as you well know and as has been told here today, do not receive government grants or Federal tax dollars. And that gladdens my heart, not just because we've got financial problems in Washington but because I just think that there are a lot of things that we

were in danger of drifting into a feeling in this country that, well, it was always government's turn to do it, let government do it. And we were beginning to lose, perhaps, that wonderful do-it-yourself thing that that has always characterized the American people. So, I know that you're going to get the job done.

The task of organizing the games is worthy of Yankee ingenuity. With that operating budget, as you've been told, of nearly a half-billion dollars, next year's games will show the world what Americans without government subsidy can accomplish. These games will reflect the excellence, the hospitality, and the spirit of accomplishment that are so much a part of our way of life.

I understand that there are already signs of the swelling public support. The corporate community, as evidenced by you who are here today, has stepped forward in a big way in, among other things, financing specific construction projects needed for the games. And I think we're all grateful for this example of corporate citizenship.

One of the top priorities of our administration has been to encourage the American people as individuals, as organizations in private and in business life to get more directly involved in getting things done, solving problems, and helping each other. Private initiative is our most precious American resource, and it's as alive today as it was when our ancestors used to join in barn-raising parties when it was needed for a neighbor.

Preliminary figures for '82 suggest that even in a time of severe recession Americans were still willing to contribute generously to worthwhile and charitable causes. Last year—and we all know how bad last year was, and, again, these are just preliminary figures—Americans, as individuals, contributed \$48.7 billion, an increase of 9.4 percent over 1981. Corporate giving was \$2.9 billion, and that was 1 percent higher than 1981. But in 1982, corporate profits were down 22 percent from what they had been in 1981, and yet they still improved their contributions.

Well, private sector initiatives succeed just as these Olympics will succeed because of thousands and thousands of individual ef-

forts. The Olympic effort has the support of people like Jim McKay, Roone Arledge, and, yes, Howard Cosell. [Laughter]

I realize there's a theory that good news isn't good for the ratings. And I only wish that everyone in the media could appreciate as much as all of you here do the voluntary efforts being taken by the American people. So, I suggest that April 17th through April 23d—it's National Volunteer Week—that during that week maybe America's heroic private sector initiative efforts should be given the attention they deserve. And then if the ratings go down, why, they can go back to the bad news. [Laughter]

But on the other hand, you know, there's something that's not all too bad about that. I think it's great that bad news is considered—or the bad events and happenings are considered worthy of news; and the good deeds are so commonplace in America that they're not news, so they don't get the attention. But maybe we'll just have a few days and do that.

There isn't any shortage of good stories. Bill Verity, who headed my Private Sector Initiatives Task Force, told me about Monroe, Ohio, a town with a losing high school football team. And then, they hired a new coach. And he suggested the team's poor showing was, simply put, because its players just weren't as physically strong as their adversaries. And he recommended building a physical conditioning facility complete with weight-training equipment. Well, the school board reported they just couldn't afford the \$50,000 needed for the project. Instead of giving up, the hometown barber—a live wire named Robert Youtsler—was brash enough to say, "Why don't we do it ourselves?" And they raised the money. And they used volunteer labor. And they built the training center.

And when they were done with that, they were so enthused that they repaired and painted the boys locker room and refurbished the girls locker room. And then, because they figured after all their effort they were bound to win, end up with a winning team, they recruited a gang of townspeople and painted the stadium. And they still weren't through. They then re-

painted the school—just one example of what can happen when the right spirit of “Can do” and “I will” replaces “Let’s wait” and “I won’t.”

There are similar stories right here in California, the folks in a rather small town, Temecula. They got together and built themselves a sports park, held fundraising barbecues and dinners. And those that didn’t have money, volunteered the time and energy. And now the young people of that community have baseball diamonds for Little League and other sports events, just due to what’s traditional Americanism.

Just one more shining example. Not so long ago, I signed a proclamation to make March Red Cross Month. Talk about timing, in the last few days Californians have had tornadoes, hurricane-force winds, earthquakes, floods. And the Red Cross, Salvation Army, and a host of other volunteer organizations have swung into action.

There is a place in all of this for government, a legitimate place. I, just before I came in here today, talked to Governor Deukmejian. And I know that the request is coming to expand the disaster area of California quite sizably and include a number of the counties that have been hard hit in this recent storm. And I was pleased to tell him that old, hardhearted me—[laughter]—we will expedite the answer to his request.

But it’s times of trouble that can bring out the best in people. We’re seeing that all over southern California. These organizations are, of course, based on voluntary support and represent the best, again, that there is about this country. I hope that when the winds stop and the floodwaters recede, people here in California especially will remember what’s been done, and even more important, will remember to do their part to support these private efforts. The job they’ve done in the last few days is really something to be proud of.

Our country has been blessed with people who understand that whether or not their community will be the decent place they want it to be depends on them. And we’re here today in that same spirit. Millions of young people will be watching the games, as you’ve been told, young people from all over the world as well as our own children, the fiber of tomorrow’s America.

And I know we won’t let those kids down and won’t short-change our country by doing anything less than a first-class job. In a free society, it all depends on us.

So, I just want to—whatever I can say to encourage everyone to do what they can to support our team, the American Olympic team.

Years after his triumph in Berlin, Jesse Owens was asked if the playing of the National Anthem at the Olympic victory stand ceremonies should be discontinued. You remember it wasn’t too many years ago when there weren’t any people talking about things like that—that playing the National Anthem might be provocative. Well, all Americans should hear his answer. He said, “It’s a tremendous feeling when you stand there and watch your flag fly above all the others. For me, it was the fulfillment of a 9-year dream. And I couldn’t forget the country that brought me there.”

And I thank you for letting me be a small part of this ceremony here today. And, Bob, I can’t resist telling a little story here that also has to do with some gentlemen who—three of them arrived at the Pearly Gates together and were informed that there was only room for one. And they had decided inside that the man who participated in the oldest trade or profession would be the one that was allowed to come in. And a gentleman stepped forward and said, “We know that the Lord made Adam and then created Eve out of a rib from Adam, and that took surgery. And I’m a surgeon, so I guess it’s me.” But before he could move in, the second one said, “Wait.” He said, “Before the Lord did that he worked 6 days. Everything was chaos and he worked 6 days and created the Earth.” “So,” he said, “that makes Him an engineer, and I guess that calls for me.” And the third one stepped up and said, “I’m an economist. Where do you think they got all that chaos?” [Laughter] I think of that story many times—[laughter]—when news and memorandums reach my desk and recommendations.

Anyway, again, thank you for letting me participate, and thank you all for what you’re doing. God bless you all.

Note: The President spoke at 1:34 p.m. in the Biltmore Bowl Room at the Los Angeles Biltmore Hotel.

Toasts of the President and Queen Elizabeth II of the United Kingdom at a Dinner Honoring the Queen in San Francisco, California

March 3, 1983

The President. Your Majesty, Your Royal Highness, ladies and gentlemen:

Your Majesty, I welcome you this evening on behalf of the American people and, in particular, on behalf of the people of my home State of California. We're honored by your presence in our country and in this State.

It's fitting that this evening's banquet should be held in this place and in this city. The de Young Museum is one of America's great cultural landmarks. And thanks to Her Majesty's graciousness, we will soon have Leonardo da Vinci's horse drawings, some 50 of them, from the Royal Library of Windsor Castle that will be touring the United States. From November 1985 through February of '86, they will be on view in the California Palace of the Legion of Honor. And the tour was organized by the Fine Arts Museums of San Francisco, the National Gallery of Art of Washington, and the Art Institute of Chicago.

That particular tour, and this cultural landmark that we're in tonight, reflects the diversity of our people, who've built a unique nation from many cultures on the firm foundations of democracy and law which, in large measure, we inherited from Britain. It represents a dedication we share with our British cousins: the peaceful furtherance of art and science for the enrichment and progress of all mankind.

It's also appropriate to recall that in a special way San Francisco, which has become home to so many different people, represents the culmination of our nations' great wartime alliance. Of course, the local links to Great Britain go back much further. One of the first titled tourists to visit this area, Sir Francis Drake, arrived long before the city did. Not only was there no room at the inn; there was no inn. [*Laughter*] But its

greatest hours came centuries later.

In August of 1941, President Roosevelt and Prime Minister Churchill set down in the Atlantic Charter their hope "to see established a peace which will afford to all nations the means of dwelling in safety within their own boundaries and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want."

And almost 4 years later in this city, America, Britain, and 44 other nations formed the United Nations organization as a means of putting those great principles of the Atlantic Charter into practice.

Unhappily, subsequent events have continued to put our values and our ideals to the test. We have seen continued war, terrorism, and human oppression in too many quarters of the globe. We're challenged to restrain and reduce the destructive power of nuclear weapons; yet, we must maintain our strength in the face of the enormous military buildup of our adversaries. And nationally and internationally, we face the challenge of restimulating economic growth and development without rekindling inflation.

All this, we can do. We will find the strength to meet these dangers and face these challenges because it beats within the hearts of free societies and free men. We need only look about us for inspiration. This beautiful city and this great State testify to the power and the vision of free men, inspired by the ideals and dedication to liberty of John Locke, Thomas Jefferson, John Stuart Mill, and Abraham Lincoln.

In the words of a great American and warm friend of Britain, Franklin Roosevelt: "The only limit to our realization of tomorrow will be our doubts of today. Let us

move forward with strong and active faith.”

And ladies and gentlemen, happily and conscious of the honor that is ours tonight, I ask you to join me in a toast to Her Majesty the Queen.

To the Queen.

The Queen. Mr. President, thank you for the very kind things you have said tonight. It is only 9 months since we had the great pleasure of having you and Mrs. Reagan stay with us at Windsor. Now, we have had the memorable experience of visiting you in your home State of California and of seeing your ranch at Santa Barbara. I knew before we came that we had exported many of our traditions to the United States. But I had not realized before that weather was one of them. [Laughter] But, Mr. President, if the climate has been cool, your welcome and that of the American people have been wonderfully warm. We are very grateful for your charming hospitality and for the generous reception we have had everywhere since our arrival in California last week.

The past few days have been a vivid and sometimes poignant reminder of the human drama and achievement which account for the greatness of America today. We have seen some magnificent technological achievements—the space shuttle, which has begun to turn the adventure of space exploration into the equally adventurous but more tangible reality of scheduled space travel; Silicon Valley, which has brought the world of yesterday’s science fiction into today’s home, office, and classroom—and into Buckingham Palace, too. [Laughter]

This image of the United States at the forefront of technical invention is one of which you are rightly proud, as we are proud of our continued inventiveness in an era of pressing competition. But the miracle of the space shuttle or of the silicon chip lies not in the wizardry of electronics, but in the genius and shared, dedicated determination of men and women. That is what speaks loudest in California.

I think of the families who struggled against impossible odds, leaving their dead in places whose names still bear witness to their desperation to make their way to the west coast. In today’s prosperity, their fortitude is often overlooked. But it is their character and courage which have permeat-

ed each succeeding generation.

I have seen that courage at work for myself this week, as many Californian families have coped valiantly with the hardship brought by the storms and tornado which have hit this State so hard.

Prince Philip and I made a memorable visit to your country in 1976 to share with so many Americans in the celebration of your bicentenary; 1983 marks another bicentenary—the signing of the Treaty of Paris, formally bringing the War of Independence to an end.

Two years before that, British troops had marched to surrender at Yorktown to the tune of “The World Turned Upside Down.” So it must have seemed to men at that time. But what would our world, 200 years later, be like if theirs had not been turned upside down?

Since then, the hand of friendship has reached out from your shores and ours at critical periods in our history to ensure not just our own survival but the survival of freedom itself.

In 1939, my father was the first reigning British sovereign to visit America, and he and President Roosevelt talked long and earnestly about the coming crisis. At the end of their visit, Mrs. Roosevelt wrote that “in time of danger,” as she put it, “something deeper comes to the surface and the British and we stand firmly together with confidence in our common heritage and ideas.”

By far the most important idea which we share is our belief in freedom, as you made clear in your speech at Westminster last year. It is an idea whose power is such that some men will go to as great lengths to suppress it as others will to keep it alive, as our two countries have fought to keep it alive.

We are deeply grateful for the unstinting contribution of the United States to the maintenance of the Western alliance. For our part, no one who knows the British and their history could have any doubt about our steadfastness as an ally or our willingness to stand up in defense of the values which we all hold dear. I say that not to strike a solemn note but to state a simple truth.

We have had a visit which has been spectacular and has fulfilled a longstanding ambition on my part to visit California on the west coast. What better time than when the President is a Californian? [*Laughter*]

We have enjoyed ourselves and greatly appreciate the warmth of your hospitality. What will remain afterwards is more significant—the cementing of a relationship. From time to time, friendships must be publicly reaffirmed. My visit has given me the opportunity to reaffirm the ideals which we share and the affection that exists between our people—without which the formalities of alliance would be meaningless,

but from the certainty of which our two countries continue to draw strength.

Mr. President, I raise my glass to you and to Mrs. Reagan, to the friendship between our two countries, to the people of California, and to the people of the United States. To the President.

Note: The President spoke at 10:36 p.m. in the Hearst Court of the M. H. de Young Memorial Museum.

Following the dinner, the President and Mrs. Reagan went to the St. Francis Hotel, where they remained overnight.

Nomination of Joseph H. Sherick To Be Inspector General of the Department of Defense

March 4, 1983

The President today announced his intention to nominate Joseph H. Sherick to be Inspector General, Department of Defense. This is a new position.

Mr. Sherick has been serving as assistant to the Secretary of Defense (Review and Oversight) since 1981. Previously he served at the Pentagon in various positions: Deputy Assistant Secretary of Defense (Program/Budget) in 1976–1981; Deputy Comptroller of the Army in 1973–1976; and

Budget Director for Research and Development in the Office of the Assistant Secretary of Defense (Comptroller) in 1968–1973. He served as first civilian Comptroller of the Defense Nuclear Agency in 1966–1968.

Mr. Sherick graduated from Temple University (B.A., 1950) and Temple University Law School (J.D., 1958). He is married, has seven children, and resides in Annandale, Va. He was born October 1, 1924, in Philadelphia, Pa.

Nomination of Alvin P. Adams, Jr., To Be United States Ambassador to Djibouti

March 4, 1983

The President today announced his intention to nominate Alvin P. Adams, Jr., of Virginia, a career member of the Senior Foreign Service, Class of Counselor, as Ambassador to the Republic of Djibouti. He would succeed Jerrold Martin North, who is assigned to the Armed Forces Staff College in Norfolk, Va.

Prior to entering the Foreign Service in 1967, Mr. Adams was a congressional summer intern in the office of Mr. James M.

Hanley (1965) and summer law clerk in the law firm of Reid and Priest, New York, N.Y. (1966). In 1968 he attended Vietnamese language training at the Foreign Service Institute. He was on detail to the Agency for International Development in 1968–1969 as area development officer for Quang Nam Province in Vietnam. He was special assistant to the Ambassador (1969–1970) and political officer (1971–1972) in Saigon. In 1972–1974 he was a staff member of the

National Security Council at the White House. In 1974–1976 he was special assistant to the Secretary of State. In the department he served in the Bureau of Economic and Business Affairs as financial economist (1976–1977), Deputy Director of the Office of Business Practices (1977–1979), and Special Assistant for Legislative and Public Affairs (1979–1981). In 1981 he was Director

of the Secretariat Staff and since August 1981 has been Deputy Executive Secretary of the Department of State.

Mr. Adams graduated from Yale University (B.A., 1964) and Vanderbilt University (LL.D., 1967). His foreign languages are French, Vietnamese, and Spanish. He was born August 29, 1942, in New York, N.Y.

Reappointment of Four Members of the National Advisory Committee on Juvenile Justice and Delinquency Prevention

March 4, 1983

The President today announced his intention to reappoint the following individuals to be members of the National Advisory Committee on Juvenile Justice and Delinquency Prevention, Department of Justice, for a term expiring January 17, 1986:

James C. Dobson, Jr., is associate clinical professor of pediatrics at the University of Southern California School of Medicine. He is a psychologist, author, and radio host. He resides in Arcadia, Calif., and was born March 21, 1936.

William L. Hart is police chief in Detroit, Mich. He is chairman of the board of the Criminal

Justice Institute, Southeastern Michigan, and on the board of directors of the Criminal Law Revision Committee. He resides in Detroit and was born January 17, 1924.

Stephen E. Wittman is in the private practice of law and is assistant director of programs for the Center for Criminal Justice Policy and Management at the University of San Diego School of Law. He resides in La Jolla, Calif., and was born February 14, 1947.

Charles Wright is serving as judge for the Court of Common Pleas of Philadelphia County in Philadelphia, Pa. He resides in Philadelphia and was born October 3, 1918.

Statement on the Most-Favored-Nation Tariff Status for Romania

March 4, 1983

The Government of Romania has implemented a decree requiring any Romanian citizen wishing to emigrate to repay in convertible currency the costs of education received beyond the compulsory level. This decree conflicts with the letter and spirit of section 402 of the Trade Act of 1974, which

is intended to remove barriers to freedom of emigration. I therefore declare my intention to terminate Romania's most-favored-nation tariff status and other benefits effective June 30, 1983, if the education repayment decree remains in force on that date.

Remarks and a Question-and-Answer Session With Members of the Commonwealth Club of California in San Francisco

March 4, 1983

The President. Thank you very much for a warm welcome that warms my heart. And I will confess that it's kind of lump in the throat time, also. Henry, I thank you very much. Mr. Chairman, the distinguished ladies and gentlemen here at the head table, I almost feel like we all should be going back to Sacramento. *[Laughter]*

Forgive me for a bit of nostalgia here. I remember so well those previous eight times, and many of them during those happy days in Sacramento. And this time, I can claim the best of both worlds: a California homecoming and a reunion with my fellow members of the Commonwealth Club—all wrapped up in one. And Nancy and I couldn't think of a better way to spend our anniversary. *[Laughter]*

But it is a pleasure to be back here where the crossroads of trade are meeting places for ideas that stretch our sights to the limits of the horizon and beyond. This Golden Gate city is a place where entrepreneurs with great dreams, daring, and determination chart new paths to progress through the winds and waters of commerce.

You provide an appropriate setting for an American challenge for the eighties. With the help of your vision, courage, and leadership, we can begin the first leg of a new voyage into the future, a future in which commerce will be king, the eagle will soar, and America will be the mightiest trading nation on Earth.

I haven't come here to echo those faint hearts who have little faith in American enterprise and ingenuity. They plead for retreat and seek refuge in the rusty armor of a failed, protectionist past. Well, I believe and I think you do, too, that the world hungers for leadership and growth that America can provide it. And my message is that our administration will fight to give you the tools you need, because we know you can get the job done.

Our forefathers didn't shed their blood to create this Union so that we could become a victim nation. We're not sons and daugh-

ters of second-rate stock. We have no mission of mediocrity. We were born to carry liberty's banner and build the very meaning of progress, and our opportunities have never been greater. We can improve the well-being of our people, and we can enhance the forces for democracy, freedom, peace, and human fulfillment around the world, if we stand up for principles of trade expansion through freer markets and greater competition among nations.

In dealing with our economy, more is in question than just prosperity. Ultimately, peace and freedom are at stake. The United States took the lead after World War II in creating an international trading and financial system that limited government's ability to disrupt trade. We did this because history had taught us the freer the flow of trade across borders, the greater the world economic progress and the greater the impetus for world peace.

But the deterioration of the free world and the U.S. economies in the 1970's led to the decline of Western security and the confidence of the people of the free world. Too many otherwise free nations adopted policies of government intervention in the marketplace. Many people began thinking that equity was incompatible with growth, and they argued for no-growth societies, for policies that undermined free markets and compromised our collective security.

There can be no real security without a strong Western economy, and there can be no freedom unless we preserve the open and competitive international and financial systems that we created after World War II. Prosperity alone cannot restore confidence or protect our basic values. We must also remember our objectives of peace and freedom, and then we can build a prosperity that will, once again, lift our heads and renew our spirits.

Now, I'm not going to minimize the problems that we face or the long, tough road that we must travel to solve them. For a quarter of a century after the Second World

War, we exported more goods each year to the rest of the world than we imported. We accumulated a surplus of funds which was invested at home and abroad, and which created jobs and increased economic prosperity. But during the past decade, we began importing more than we were exporting. Since 1976 imports have exceeded exports every year, and our trade deficit is expected to rise sharply in this year of 1983.

In the past few years, high, real interest rates have inhibited investment, greatly increased the value of the dollar, and made our goods—as a result—less competitive. High interest rates reflect skepticism by financial markets that our government has the courage to keep inflation down by reducing deficit spending.

Well, if the history of our great nation and the character of this breed called American mean anything at all, it is that when we have believed in ourselves, when we pulled together, putting our wisdom and faith into action, we made the future work for us. And we can do that now.

Wealth is not created inside some think-tank on the Potomac; it is born in the hearts and minds of entrepreneurs all across Main Street America. For too long, government has treated the entrepreneur more as an enemy than an ally. Our administration has a better idea. We'll give you less bureaucracy, if you give America your audacity. We want you to out-plan, out-produce, and out-sell the pants off this nation's competitors. You see, I believe in what General Patton once said—I'm partial to cavalry officers. [*Laughter*] He said, "Don't tell people how to do things. Tell them what needs doing and then watch them surprise you with their ingenuity."

Every citizen has a role and a stake in helping the United States meet her trade challenge in the eighties. We need jobs. Well, one of the best job programs we can have is a great national drive to expand exports, and that's part of our program.

We have only to look beyond our own borders. The potential for growth is enormous: a \$2 trillion market abroad, a chance to create millions of jobs and more income security for our people. We have barely seen the tip of that iceberg. Four out of five new manufacturing jobs created in the last

5 years were in export-related industries, and yet 90 percent of American manufacturers do not export at all. We believe tens of thousands of U.S. producers offer products and services which can be competitive abroad. Now, many of these are small- and medium-sized firms.

Our administration has a positive plan to meet the trade challenge on three key points:

—first, lay a firm foundation for noninflationary growth based on enduring economic principles of fiscal and monetary discipline, competition incentives, thrift and reward;

—second, enhance the ability of U.S. producers and industries to compete on a fair and equal basis in the international marketplace; work with our trading partners to resolve outstanding problems of market access and to chart new directions for free and fair trade in the products of the future;

—third, take the lead in assisting international financial and trade institutions to strengthen world growth and bolster the forces of freedom and democracy.

Taken together, these actions give the United States a positive framework for leading our producers and trading partners toward more open markets, greater freedom, and human progress.

But progress begins at home. Our economic reforms are based on time-tested principles: spending and monetary restraint to bring down inflation and interest rates and to give leaders [lenders] confidence in long-term price stability; less regulatory interference so as to stimulate greater competition; and growth of enterprise and employment through tax incentives to encourage work, thrift, investment, and productivity.

Now, we've suffered a long, painful recession brought about by more than a decade of overtaxing and spending and, yes, government intervention. But recession is giving way to a rainbow of recovery, reflecting a renaissance in enterprise. America is on the mend.

Inflation has plunged from 12.4 percent in 1980 to just 3.8 in the last 12 months. And in the last 6 months, it's been running at 1.4. We've sought common sense in government and competition, not controls in

the marketplace. Two years ago, we accelerated the deregulation of crude oil, and we heard ourselves denounced for fueling inflation. Well, the national average for a gallon of gasoline when we took office was \$1.27, and now you can buy it in most places for less than a dollar. The prime interest rate was a crippling 21½ percent. Now, it's down to 10½. Tax rates have been cut. Real wages are improving. Personal savings and productivity are growing again. The stock market has hit a record high. Venture capital investments have reached record levels. Production in housing, autos, and steel is gaining strength. And new breakthroughs in high technology are busting out all over. Katy, bar the door. We're on our way back.

Let me say to the pessimists who would cancel our remaining tax incentives, I have one thing to say: Don't lay a hand on the third year of the people's tax cut or the indexing provision. Indexing is our promise to every working man and woman that the future will not be like the past. There will be no more sneaky, midnight tax increases by a government resorting to bracket creep to indulge its thirst for deficit spending. To pretend eliminating indexes is somehow fair to working people reminds me of Samuel Johnson's comment about the fellow who couldn't see any difference between vice and virtue. He said, "Well, when he leaves the house, let's count the spoons." [*Laughter*]

Capping the third year tax cut and eliminating indexing and our remaining tax cuts would send the worst possible signal to potential exporters. As I mentioned, 90 percent of U.S. businesses do not export at all. And about 85 percent of our firms pay their taxes by the personal income tax. If those who would dismantle the tax cuts get their way, the chilling message to the business community will be, "Don't scrap and struggle to succeed, export, expand your business, and hire more workers, because we won't thank and reward you for helping your country, we'll punish you."

Well, maybe I'm old-fashioned, but I don't think pitting one group of Americans against another is what the Founding Fathers had in mind. This nation was not built on a foundation of envy and resentment. The dream I've always believed in is, no

matter who you are, no matter where you come from, if you work hard, pull yourself up and succeed, then, by golly, you deserve life's prize. And trying for that prize made America the greatest nation on Earth. Let us create more opportunities for all our citizens. And let us encourage achievement and excellence. We want America to be a nation of winners again.

So you might as well know that we will not turn our backs on the principles of our recovery program, especially on the principles of free trade. The great English historian, Thomas Babington Macaulay, wrote more than a century ago that free trade, one of the greatest blessings which a government can confer on a people, is unpopular in almost every country. Well, for some, times haven't changed.

There's a great hue and cry for us to bend to protectionist pressures. Well, I've been around long enough to remember that when we did that once before in this century, something called Smoot-Hawley, we lived through a nightmare. World trade fell by 60 percent, contributing to the Great Depression and to the political turmoil that led to World War II.

We and our trading partners are in the same boat. If one partner shoots a hole in the bottom of the boat, does it make sense for the other partner to shoot another hole in the boat? There are those who say yes, and call it getting tough. I call it getting wet—all over. [*Laughter*]

We must plug the holes in the boat of open markets and free trade and set sail again in the direction of prosperity. No one, no one should mistake our determination to use our full power and influence to prevent anyone from destroying the boat and sinking us all. There's a fundamental difference between positive support of legitimate American interests and rights in world trade and the negative actions of protectionists. Free trade can only survive if all parties play by the same rules. But we're determined to ensure equity in our markets. Defending workers in industries from unfair and predatory trade practices is not protectionism, it's legitimate action under U.S. and international law.

Now, one example of protectionist legisla-

tion that could quickly sabotage recovery is the local content rule. This legislation, proposed in the Congress, would force foreign and domestic manufacturers of automobiles sold in the United States to build their cars with an escalating percentage of U.S. parts and domestic labor. The Congressional Budget Office concluded that this would destroy more jobs than it would save. And that's true. It would add substantially to the cost of a new car.

What the proponents of this bunker mentality never point out is that the costs of protectionism for one group of workers are always passed on to another group down the line. And once such legislation is passed, every other industry would be a target for foreign retaliation. We would buy less from our partners. They'd buy less from us. The world economic pie would shrink. Chances for political turmoil would increase dramatically.

Rather than reacting in fear with beggar-thy-neighbor policies, let us lead from strength and believe in our abilities. Let's work at home and abroad to enhance the ability of U.S. producers and industries to compete on a fair and equal basis in the international marketplace.

We're very excited about some landmark legislation that I signed last year—signed, as a matter of fact, here in California—the Export Trading Company Act. It's an innovative idea based on teamwork. I'm confident it will create thousands of new exporters, and I hope some of them are sitting in this room. The law is designed to attract manufacturers, export-management companies, banks, freight-forwarders, and other export services into joint efforts to gain foreign markets.

The Commerce Department is holding seminars across the country to promote the legislation, and the response has been remarkable. Thousands have attended and, in some cases, the numbers were so overwhelming people had to be turned away. The majority of attendees have not been lawyers, tax accountants or, forgive me, bankers—[laughter]—but business people, the people who can take this legislation and use it. They can expand our markets, become exporters, or sell to export trading companies who can do it for them. The

bottom line will be a breakthrough in exports, higher growth, lower deficits, and a tremendous surge in new jobs and opportunities for our people. Each billion dollars that we add in exports means tens of thousands of new jobs.

More companies will seek the world of exports when they realize that government is not an adversary. It's your partner, and I don't mean senior partner. We have eased, substantially, taxation of foreign-earned income and introduced a 25-percent tax credit for research and development. We're also working to reform the Foreign Corrupt Practices Act, not to weaken safeguards against bribery but to remove disincentives that discourage legitimate business transactions overseas.

Another obstacle is export controls on technology. A backlog of 2,000 applications greeted us when we arrived in office. Well, we eliminated those and relaxed export controls on low technology items that do not jeopardize our national security. Still, there are limits. I'm confident each of you understands that we must avoid strengthening those who wish us ill by pursuing short-term profits at the expense of free world security. Trade must serve the cause of freedom, not the foes of freedom.

To export more, we must do a better job promoting our products. We're strengthening our export credit programs by increasing the level of the Export-Import Bank ceiling on export guarantees. We're also designing a tax alternative to the Domestic International Sales Corporation that will fully maintain existing incentives to our exporters. We've begun a Commodity Credit Corporation blended export credit program for our farmers, and that's in addition to the increases this year in the regular loan guarantee program for promoting U.S. farm exports.

To retain America's technological edge—of which there is no greater evidence than California's Silicon Valley—and to revive our leadership in manufacturing, we've implemented an R. & D. policy to enhance the competitiveness of U.S. industry in the world economy. In our 1984 budget, we've asked for significant increases for basic research, and we will seek to improve the

teaching of science and mathematics in secondary schools so tomorrow's work force can better contribute to economic growth. We will also seek to encourage greater and more creative interaction between university and industry scientists and engineers, through programs similar to the one between Hewlett Packard and Stanford University. Finally, we're taking steps to encourage more industrial R. & D. through changes in our tax and antitrust policy, and we will attempt to remove legal impediments that prevent inventors of new technology from reaping the rewards of their discoveries.

Supporting American producers gives us the means to press our trading partners toward more free and open markets. We're challenging the unfair agricultural trade practices of Japan and the European Community, and we're charting a new course for the products of the future. We have agreed to a work program with the government of Japan to eliminate trade and investment barriers to high technology industries. We have also established a working group with the Japanese to actively explore opportunities for the development of abundant energy resources.

By restoring strength to our economy, enhancing the ability of our producers to compete, America is leading its trading partners toward renewed growth around the world. The world economy, like ours, has been through a wrenching experience—a decade of inflation, ballooning government spending, and creeping constraints on productive enterprise. Other countries, including many of the developing countries, are now making major efforts to restrain inflation and restore growth. The United States applauds these efforts, and we're working in the International Monetary Fund to keep a firm focus on the role of effective domestic policies in the growth and stability of the world economy.

But for all countries, international trade and financial flows are extremely important. Either the free world continues to move forward and sustain the postwar drive toward more open markets, or we risk sliding back to the tragic mistakes of the thirties, when governments convinced themselves that bureaucrats could do it better

than entrepreneurs. The choice we make affects not only our prosperity but our peace and freedom. If we abandon the principle of limiting government intervention in the world economy, political conflicts will multiply and peace will suffer. And that's no choice at all.

The United States will carry the banner for free trade and a responsible financial system. These were the great principles at Bretton Woods, New Hampshire, in 1944, and they remain the core of U.S. policy. We will do so, well aware of the changes that have occurred in the international trade and monetary system.

In trade, for example, we've practically eliminated the barriers which industrial countries maintain at the border on manufactured products. Today, tariffs among these countries average less than 5 percent. Our problems arise instead from nontariff barriers which often reflect basic differences in domestic economic policies and structures among countries. These barriers are tougher to remove. Well, we're determined to reduce government intervention as far as possible and, where that is unrealistic, to insist on limits to such intervention.

In trade with developing countries, on the other hand, tariffs and quotas still play a significant role. Here, the task is to find a way to integrate the developing countries into the liberal trading order of lower tariffs and dismantled quotas. They must come to experience the full benefits and responsibilities of the system that has produced unprecedented prosperity among the industrial countries.

We've taken the lead, proposing the Caribbean Basin Initiative to encourage poor- and middle-income countries to trade more, and we proposed a North-South round of trade negotiations to maintain expanding trading opportunities for more advanced developing countries. We seek to build a collective partnership with all developing countries for peace, prosperity, and democracy.

At the GATT ministerial meeting last November, the United States took the lead in resisting protectionism, strengthening existing institutions, and addressing the key trade issues of the future. While we're not

totally satisfied with the outcome of that meeting, we'll continue in our support of free and equal trade opportunities for all countries.

Expanding trade is also the answer to our most pressing international financial problem—the mounting debt of many developing countries. Without the opportunity to export, debt-troubled countries will have difficulty servicing, and eventually reducing, their large debts. Meanwhile, the United States will support the efforts of the international financial community to provide adequate financing to sustain trade and to encourage developing countries in the efforts they are making to improve the basic elements of their domestic economic programs.

Earlier this week I forwarded draft legislation to the Congress for additional American support for the International Monetary Fund. Leading by the IMF has a—or lending, I should say, has a direct impact on American jobs and supports continued leading—or lending by commercial institutions. If such lending were to stop, the consequences for the American economy would be very negative.

This spring, in May, the United States will host the annual economic summit of the major industrial countries in Williamsburg, Virginia. The leaders of the greatest democracies will have a quiet opportunity to discuss the critical issues of domestic and international economic policy and reflect on their individual and collective responsibilities to free peoples throughout the world. It's not a forum for decisionmaking. Each leader is responsible primarily to his or her own electorate. But by exchanging views, these leaders can gain a better understanding of how the future of their own people depends on that of others.

And may I just interject here, something brand new in international relations has been brought about by one Prime Minister, Margaret Thatcher. When we sit around those summit tables, the protocol is gone, and we're all on a first-name basis.

I began today by saying that if we believe in our abilities and work together, we can make America the mightiest trading nation on Earth. Here in this room, and not far from this building, are people and compa-

nies with the burning commitment that we need to make our country great. One of those companies, the Daisy Systems Corporation, is a computer firm in Sunnyvale, California. It was formed in August 1980, and it made \$7 million in sales its first shipping year. This year it expects to earn \$25 million, and by 1986, \$300 million. Daisy Corporation is already selling its products in the markets of France, Norway, Belgium, Great Britain, Germany, Israel, and Japan. Its work force has nearly quadrupled in the last year.

Well, my dream for America, and I know it's one you share, is to take that kind of success story and multiply it by a million. We can do it. Albert Einstein told us, "Everything that is really great and inspiring is created by individuals who labor in freedom." With all the wisdom in our minds, and all the love in our hearts, let's give of ourselves and make these coming years the greatest America has ever known.

Thank you very much, and God bless you. And God guide us all. [*Applause*]

Thank you. You're shortening the question period.

Dr. Keith. Thank you, Mr. President. Nelson Weller, president of the Commonwealth Club of California, will now conduct the question-and-answer period.

Mr. Weller. Thank you, Professor Keith. Mr. President, these questions are from your fellow members.

Environmental Protection Agency Documents

The first question, why do you deny Congress access to EPA files? [*Laughter*] Why shouldn't they see everything?

The President. Well, we are letting them see everything. And, as a matter of fact, they started squealing before they were hurt. [*Laughter*]

We had almost 800,000 documents which we were ready to make completely available to them, and they turned us down. There were less than 100 documents which the Justice Department felt would have violated the principle of confidentiality, because they dealt with litigation and pending cases of that kind, and that this, in the hands of someone who might leak the infor-

mation, could be adverse to what we might be faced with in such litigation. So, this decision was made by the Justice Department in keeping, I might add, with the tradition of executive privilege that goes all the way back to George Washington.

But now, because of the accusations and allegations that have not been forwarded to us or to the Justice Department as we have suggested, but are first made public—and many of them without any substantiation—we have made available to the congressional committees all of the documents. And those in which the Justice Department believes there is some sensitive thing, having to do with this litigation and so forth, are whited-out. But then they are able to—we will tell them and inform them what is the nature of what is whited-out. So that in reality, they are being offered and given everything. And I think what's happened to them is their eyes have started to glaze over. There are so many documents, and they don't know how to get out of their request. [Laughter]

Mr. Weller. Mr. President, we have some questions on foreign affairs.

The Middle East

How far are you willing to go in pursuit of your Middle East peace plan by applying pressure on Israel to meet your peace plan requirement?

The President. Well, we're doing everything that we can to speed this up, because we believe that to bring the Arab nations that—you might say, the more moderate Arab nations that have expressed to us now a willingness to negotiate with Israel and try to arrive at a long-term peace arrangement in the Middle East. But they have predicated it on that Lebanon must be allowed now to resume sovereignty over its own nation. And this calls for the leaving of Lebanese soil of all foreign troops—the Israelis, the Syrians, and the remnants of the PLO that are still in there.

And we are, I must say, disappointed by the length of time it's taken and by the haggling and the negotiations, because no one of them will leave until all three agree to leave.

There has been some reason for optimism in the last few days. We have Ambassador

Habib and his assistant, Philip Draper, over there helping in this negotiation. But we do want to get that settled and get to the table, then, on the whole, overall matter of international peace. And I can tell you, we will not retreat from every effort that is open to us to bring that about.

El Salvador

Mr. Weller. Now, back to our own hemisphere. The recent request for escalation of military aid to El Salvador appears to be the beginning of a replay of the early days of Vietnam. What assurances can you offer that this is not the case?

The President. I can give you assurances. And there is no parallel whatsoever with Vietnam. We have the instance here of a government, duly elected. And just a short time ago—an election—the people of El Salvador proved their desire for order in their country, and democracy, and that they had no sympathy whatsoever for the rebels who are armed, who are trained by countries such as Cuba and others of the Iron Curtain countries. They're supplied with weapons that come in by way of Nicaragua.

The threat is more to the entire Western Hemisphere and toward the area than it is to one country. If they get a foothold, and with Nicaragua already there, and El Salvador should fall as a result of this armed violence on the part of the guerrillas, I think Costa Rica, Honduras, Panama, all of these would follow. And I ask anyone—50 percent of everything that we have to import comes through the Caribbean, through the Panama Canal. It is vital to us that democracy be allowed to succeed in these countries, as I say it did in that last election.

Now, right now, El Salvador is considering calling a new election, hopefully before the year is out. But we had a bipartisan team of Congressmen go down and witness that last election, observe. The stories they came back with! They were converted, any who had had any doubts.

They told of a grandmother standing in that line who had been threatened by the guerrillas that if she voted on that day—and incidentally, they had destroyed and bombed and burned over 150 buses so that

people had to walk for miles in the hot sun to get to a polling place, but they did. And they stood in line for hours. This woman said to them, "You can kill me. You can kill my family. You can kill my neighbors. You can't kill us all." Another woman stood in the line and refused to leave the line. She had been shot by the guerrillas, wounded, and refused treatment until she had been able to mark that ballot. Then she would submit to treatment. And they came back, and we're convinced that, sure, there are things to be corrected down there, but we're working with them.

Now, what we mean by expansion is that we have a limit on 55 of our military personnel, only for the sake of training their forces down there. And they need that training. So far, we've only averaged—for the last couple of years—37 of those 55 positions being filled. And right now, there are 45. We may want to go beyond that 55. But in no sense are we speaking of participation in combat by American forces. We are trying to give economic aid, which is necessary to their economy because of the destruction of powerplants and bridges and things of this kind, and industries. And we believe that the Government of El Salvador is on the frontline in a battle that is really aimed at the very heart of the Western Hemisphere, and eventually at us.

Social Security System

Mr. Weller. Now, some questions on the domestic scene.

Can social security be saved?

The President. Yes. As a matter of fact, we really had an example just the other day, when we started out here on this trip, of bipartisanship, when the all-powerful Ways and Means Committee—heavily Democratic, of course, with a majority in the House—chaired by Dan Rostenkowski, Democrat Representative, with Barber Conable, our minority leader, on that Committee—when they brought out—I think the vote was 33 to 2—the recommendation for the Commission's plan for social security, to restore its fiscal integrity. Now, that still will leave additional legislation, because that solves the short-range problem, and for a number of years, and gives us time, then, to deal with an actuarial imbalance that still

exists out on the long-range, the 75-year plan for social security.

But I can assure anyone who is dependent on social security, they are going to continue to get their checks.

Income Tax Reform

Mr. Weller. We certainly have a timely question now. A member asks, "I have just started working on my taxes." [Laughter] "When will you start drafting a flat tax-rate proposal?"

The President. I lost a word there. "I have just started working on my taxes. When will you start drafting . . ." [Laughter]

I can tell you, we are convinced in Washington that there is more objection to the tax system and its complications than there is to the amount of tax you're being required to pay. [Applause] That brought a smile and applause from [Secretary of the Treasury] Don Regan. [Laughter]

We are studying and looking at—including that, the proposal there, as to whether that is the way to go—but at a simplification of the tax structure. It is very much needed, and we would like to be able to bring it to the people.

Mr. Weller. Thank you.

Mr. President, unfortunately our time is nearly up, so this will be our last question.

The President. Oh, dear. [Laughter]

Mr. Weller. Before asking it, may I remind you to remain seated until the President and our head table guests have departed.

President's Plans for 1984

And, now, Mr. President, our last question. When will you decide to run for the Presidency in 1984?

The President. Well, now, the chances are 50–50—50 that you won't and 50 that you will. [Laughter] But I have to just repeat the answer that I've always—you know, I don't think this is the time to make such an announcement. If you make it that it's negative, you don't have any power anymore in Washington. And if you make it positive, then they say everything you're trying to do is political. [Laughter]

But the other thing is, I also believe that the people of this country indicate whether

you should run again or not. So, I'm watching.

Mr. Weller. Thank you, Mr. President, for joining us today.

Note: The President spoke at 12:48 p.m. in

the Continental Ballroom at the San Francisco Hilton Hotel after remarks and an introduction by Dr. Henry Keith, quarterly president of the club. Prior to the luncheon, the President attended a reception at the hotel for head table guests.

Radio Address to the Nation on Employment Programs March 5, 1983

My fellow Americans:

Today I'd like to talk about jobs for our people. Now, without sounding too much like I'm giving a lecture, there are two basic types of unemployment—cyclical and structural.

Cyclical unemployment results from changes in the business cycle, the ups and downs of the overall economy. Almost half of our current unemployment program [problem] is cyclical—the direct result of the recession. The best cure for cyclical unemployment is to get the economy moving again, and our economic program is doing just that.

Recently, the figures for industrial production, housing starts and sales and new orders for manufactured durable goods have all been good news. Just this week the index of leading economic indicators, a harbinger of what's to come, registered the biggest single jump in 33 years. This improving economy will assist those who suffer from cyclical unemployment as business picks up and workers are called back to stores, factories, offices, and construction sites around the country.

As you know, the unemployment rate dropped in January and then held to that level in February. I've said before, unemployment always lags behind the rest of the recovery. But the rate will be heading downward. The other economic indicators are too encouraging for it to hold out much longer.

We here in Washington can ease the transition for the cyclically unemployed with short-term help. We can move up job opportunities by accelerating certain government projects and aiding those in deep dis-

trepreneurship. The Congress and I are working out our differences on such legislation right now, and I would hope it could be on my desk for signature within the next week.

Now, the other kind of unemployment is structural. Structural unemployment is not the result of temporary slumps in the economy. It is caused by deep and lasting changes in science, technology, competitiveness, and skills. The structurally unemployed are those who don't have the skills demanded in today's workplace. Generally, we're talking about the long-term unemployed—the displaced workers from declining industries and the young who lack work training and experience.

I know this is pretty dry stuff, but I think it's important to explain because structural unemployment is a problem that will be with us for some time. And, remember, that behind those dry terms are people—black teenagers who desperately want a first job and older workers grappling with the adjustment of losing their life's work.

Up until now, no one has successfully addressed structural unemployment on a national scale. But next week, I will send the Congress a proposal that brings some important new approaches to the problem. We want to provide incentives for businesses to hire the long-term unemployed.

Under our proposal, a worker who's been unemployed for an extended period could convert the unemployment benefits he receives into job vouchers which would entitle his new employer to a tax credit. The overwhelming majority of those who've been unemployed for long periods would gladly trade their benefits for a job, if they could only find one. What they're looking

for is an opportunity to become productive again. This voucher system gives them a better chance to do just that.

We also want to increase by about 10-fold to \$240 million the funding for that part of the Job Training Partnership Act that helps displaced workers. This program will offer matching grants to the States for retraining, job search, and relocation assistance to displaced workers. And we also propose allowing States to use up to 2 percent of their unemployment insurance tax revenues—that could mean an estimated \$374 million of additional funds—for reemployment assistance.

And, of course, I'm asking the Congress for over \$3 billion for those programs that last year replaced the ineffective CETA program, where only 18 percent of the money was actually used for training the unskilled.

That old cliché that you can't get a job until you have experience and you can't get experience until you have a job really is true for too many young people, especially our minority young people, among whom the unemployment rate is a staggering 45 percent for black teenagers. One of the main reasons many youngsters have difficulty finding jobs, especially their first job, is the minimum wage. Employers simply aren't willing to pay this set wage rate to youth with no work experience. So, to help young people find jobs, I propose a youth opportunity wage at \$2½ per hour, 25 percent below the regular minimum rate of \$3.35.

Young people, of course, don't have to accept this amount, and I know many will be able to command the regular minimum wage. But this new wage will allow youngsters who don't have any experience to make a start in the workplace. What we're trying to do is get them some experience so they can move up the payscale.

Some people have feared that as a result of the new youth wage, businesses would replace adults with young people. Well, we've taken precautions so that won't happen. First of all, the youth wage will only be available during the summer months, when kids are out of school. And second, we will add provisions that absolutely prohibit businesses from displacing current workers by hiring young people at a lesser wage.

The American economy is on the mend. And one of the reasons is that we've finally begun to correct some of the past errors of government that brought on inflation, high interest rates, and recession. But as the economy mends, government can help to ease the painful transition for many of our people. The proposals I've outlined today do this by assisting the unemployed in finding the training, the help, and the jobs they desire and deserve.

Until next week, thanks for listening. God bless you.

Note: The President's remarks were taped at 4:15 p.m. in the St. Francis Hotel library in San Francisco, Calif., on March 4 for broadcast at 12:06 p.m. e.s.t. on March 5.

Remarks and a Question-and-Answer Session With Representatives of the Western Forest Products Coalition in Klamath Falls, Oregon March 5, 1983

The President. Let me, without directly replying to the things that have been said—because I know we'll take care of that in the question-and-answer session that follows—but Governor Atiyeh, Senator Hatfield, and Congressman Smith, and the people of Klamath Falls, I want to thank you all for welcoming me here and for

these informative reports.

These are critical times, I know, for your industry, your workers, and your families. But my visit here and our improving economy convince me that together we can and will put the people of Klamath Falls and the rest of America back to work.

First, let me say what a pleasure it is for

me to be in the great Northwest. When the rest of the country hears the name "Oregon," I think everyone thinks of a rich, green land that lured so many west—explorers, traders, and lumberjacks—to a State of tall timber and wilderness. And when William Cullen Bryant wrote that "forest groves were God's first temples," he must have seen the majestic sweep of Oregon in his mind's eye.

But, as you've said, Oregon and our mighty lumber industry have suffered greatly from this last recession—mills shut down, workers were laid off, and businesses closed across the State. These problems were triggered by profligate spending, excessive taxation, and burdensome regulations imposed from the other side of the Nation, in Washington, D.C. Deficit spending and a tax system which allow the Federal Government to profit from inflation drove up prices. Interest rates hit 21½ percent. And suddenly the American dream of owning a home seemed an impossibility for millions of people.

With the housing industry on the rocks, the lumber industry ground to a halt. And Oregon's mills and forests fell silent. But in 1980 the people of Oregon, recognizing what was happening, voted an unmistakable mandate to clean up our economic mess. And in the last 2 years, that's just what I think we've been doing in Washington.

We've begun returning America to the strict principles of economic responsibility that made us great in the first place. We've made great strides toward limiting government's role in our marketplace and in the lives of our people. We've cut the growth in new regulations by a third, and government's rate of growth by 40 percent.

Incentive, hard work, and savings are being rewarded again by a reformed tax policy. We offset the largest tax hike in history that had been passed during the previous administration—we offset it with the largest tax cut in history. A third installment of the tax-cut rate will take effect in a few, short months. And America's working families will reap the most benefits. Our tax indexing provision also ensures that cost-of-living raises won't push workers into higher tax brackets.

Meanwhile, we're tackling the monster of

deficit spending, which still threatens the road to recovery. We've proposed a budget and a fiscal plan that will steadily reduce Federal deficits until eventually we balance the Federal budget. As a result, the economy is finally revving up.

New home sales, as you know, in January were up 10 percent, and that was more than a 50-percent improvement over the same month last year. Housing starts increased by 36 percent, and that was the largest jump in history. Permits to build were up by 13 percent to the highest level since September of 1980. Overall construction spending rose nearly 9 percent, and that was the most dramatic improvement since 1946. And the increase in the sale of existing homes broke all the records in the books.

Something exciting is happening. You can feel it in Klamath Falls and, I think, in towns all across America. Inflation has risen at an annual rate of only 1.4 percent for the last 6 months. And that's down from the agonizing 12.4 percent, which was the annual rate when we took office. That success, along with a moderate monetary policy, has enabled interest rates to come down, key to our recovery.

Many people just don't realize the parallel between the two. And this was why inflation was our prime target from the very first day in office. If you're going to lend money and the value of that money is depreciating because of inflation, you have to get an interest rate high enough to not only bring an earning on your money but to offset that depreciated value so that when the dollars are given back you receive the same purchasing power that you loaned in the first place.

Well, those rates dropped again last week and are now less than half of what they were in 1980. I believe they're going to go down even farther. Lower, more realistic interest rates are unlocking the chains that are binding our people, our businesses, and our economy. Still more improvement will free us to create the kind of prosperity that was our heritage and that we must restore for ourselves and for our children.

Already, overall productivity is improving. Our automobile industry is rebounding,

and real wages are rising for the first time in several years. Unemployment, though still painfully high, has begun to dip, and the leading economic indicators have been signaling recovery for 8 out of the last 10 months. The latest report on those indicators released this week showed the largest monthly gain in more than 30 years.

Now, all this is good news for Klamath Falls, for Oregon, and for America. After nearly a 3-year slump, the forest products industry is coming back. I just left a lumber mill that has reopened, and I can tell you the whir of the machinery there was music to my ears. Since February of 1982, about 475 plywood mills and sawmills around the country have reopened or resumed full production. Here in the West, the number of employees directly affected by sawmill closures or production curtailments is half what it was a year ago.

Loggers and sawmill workers are going back to work. And when people in Klamath Falls go back to work, it means that paper-makers, carpenters, homebuilders, and an endless array of others across America are also being called back to the job.

Now, I know times are still very difficult. We're not out of the woods yet. Maybe in this particular place I should put that another way. *[Laughter]* You're not back in the woods yet as much as you would like to be. *[Laughter]*

Your industry is still operating far below capacity, and many thousands of workers here still wait for that call-back notice. But our recovery is building and gaining in strength. And I believe it will be powerful and sustained.

We've had seven previous recessions since World War II in every one of which government rode to the rescue with a quick fix and an artificial stimulant and guaranteed that in anything from 2 to 3 years we would have another recession—and it was always worse than the last. Each one started with a higher level of unemployment to begin with and with a higher inflation rate. This time we've tried to go back to the basic rules of economics that built this country and have a recovery that is based on commonsense business practices and that will be lasting and that will be without inflation.

I believe it will be powerful and sustained—this recovery. It should be because, as I say, it is the result of time-tested, commonsense economic principles that have worked when they've been tried.

When I began speaking today, I described how other Americans view your abundant national wealth out here. I would like to add that when we think of your people, we think of independent men and women of strength and foresight, imbued with a frontier spirit. I wish the rest of the country could see and hear what I have today, because they would realize how richly that reputation is deserved. I think they'd appreciate, as I do, that the Oregon spirit is the American spirit and that with that spirit, there is no challenge too great for us to overcome.

They say that out here in the great Northwest the trees grow so high that it takes a whole week to see the top of them. Well, it's that way with good results, too. Sometimes the reward comes a long spell after you begin the effort. But anyone who's looked out over the top of an Oregon forest knows how worthwhile the wait can be.

So, I thank you for your vision, your hard work, and your faith in America. And together we're putting our country to rights again, and I think it'll be worth the effort and the wait. And I thank you for giving me this opportunity, and God bless you all.

But let me anticipate, in the line of questioning, just a couple of the things that were said here earlier.

I recognize some of the problems that have been pointed out here. I have a man right now working, investigating everything administrative that can be done with regard to this particular problem here. And we are going to continue to work on that to find out, first of all, all that we can do administratively.

There are other things that have been brought up here that I know will be repeated in the questioning, so I'll stop and let us get to that questioning. That's what I've been looking forward more to than making a speech. So—

*Mr. Murphy.*¹ Thank you, Mr. President.

¹ *Peter C. Murphy, Jr., president of the Murphy Co. in Springfield, Oreg.*

We do have some good news for you, too. And I think John Stephens² wants to share a little bit of that with a question or two.

Q. Mr. President, since last fall, our company employment has increased by over 750 full-time jobs. All of our plywood plants are now running. And we've realized a 13-percent productivity improvement in that same period. Now, this improvement is partly because of market recoveries. But the most important reason were the short-term timber contracts made available to us from the Forest Service and the BLM [Bureau of Land Management]. Will these kind of contracts continue to be available?

The President. Yes. I don't think there would be any change in that at all. And, as a matter of fact, all of you know better than most some great misunderstanding, for example, about our national forests and the BLM land and all.

I ride fairly regularly through a national forest in the East now when I can get to Camp David. And I'm amazed, and I know you're all aware, of what people think is nature being preserved, but how such a useless tangle and then the taking over by lesser valued trees is taking place because there is a lack of harvesting in there that would keep those forests more alive and what they were supposed to be. But the tangle of downed trees that have been allowed to mature, grow old, and then, before their harvest, succumb to insect and age reveals that we have a long way to go in recognizing the assets we have and making full use of them, and at the same time retaining better forestland for those who want it for recreational purposes and all than we presently have.

Q. Mr. President, our company and many other small companies like ours have endured heavy financial losses in the last couple of years. We can't survive another downturn. Can we count on interest rates continuing at their present levels or, hopefully, lower?

The President. Hopefully, lower, because we're going to continue the fight against inflation that—you know, most people have forgotten that for more than 30 years infla-

tion was a deliberate, planned government policy. They called it "the new economics." And I remember being out on the mashed-potato circuit about 25 years ago complaining about it, that it wouldn't work. They said that a little inflation was necessary to maintain prosperity. Well, I said a little inflation is like radioactivity. It's cumulative. And pretty soon, it gets out of control—as it has.

And, as I say, these last 6 months—for the year of '82, the official annual rate was 3.8, down from that 12.4. But for the last 6 months, it had been running at 1.4. And even industry had a part in contributing to institutionalizing that. When industry yielded wage contracts that raised wages above increase in productivity, then that became an increase in price that had to be passed on to the customer. And, thus, you built in further inflation. So, industry, itself, has got a hand in this battle; labor has a handle in this battle to ensure the projection.

But we're going to do everything we can. And I am convinced that, as this continues to go down—right now, interest rates are still higher than they need to be, cannot be justified on the basis of present inflation. It can only be a lack of faith that the government in Washington is going to stay the course—you maybe have heard that expression before—[laughter]—and continue this fight.

They're still skeptical that we might go back to the old ways of the artificial stimulant and then the increased inflation. Well, I'd say, "over my dead body," but there are too many people willing to take me up on that. [Laughter]

Q. Mr. President, we understand your recent recommendations concerning the deregulation of natural gas allows for a renegotiation of the contracts. Is it possible for this type of approach to be used in reference to government timber sale contracts?

The President. This is what, as I say—I have someone in my office right now that is looking into this and all the administrative terms. And I know that this is what's on the Senator's mind, also. And this is something very definitely to be looked at.

We know there are two industries in this

²President of the Roseburg Lumber Co. in Roseburg, Oreg.

country that—either one of them alone can start a depression or recession: the housing industry, the automobile industry. And because of the high interest rates, we got a double-whammy. It came from both. And it started, it was evident, clear back in late '78 and in '79, and just kept on skyrocketing and going to the present situation that we have.

So, those are all things that we want to look at, because we realize that half of the unemployment today may be structural and is—the need for training for new industries and new jobs. The other half of it is brought on by the recession. And the only way to get that half back to work is to get this economy moving again.

Q. Mr. President, you may be aware that proposed additional wilderness legislation in the West would take millions of acres of land from our existing timber base. Would you consider vetoing any unreasonable wilderness proposals?

The President. You used the right word there to allow me—I usually am reluctant to talk in advance about what I will or won't veto. If it's unreasonable, it'll be vetoed.

But I know that problem also. And, you know, there has been a great effort spread over a number of years by the Government to get possession of more land. Now, the United States Government owns one-third of all the real estate in the United States. And the bulk of that is here in the West. And they've used various devices to do it.

In '66, when I was running for Governor—and I remember I addressed a forestry products group in San Francisco, and my opponent went out and said that I, in my address, had said that if you've seen one tree, you've seen them all. I never said any such thing. But then it was outdoor recreational land. You remember that there was a big wave. They were even foreclosing on some mining claims, and they were buying up land and using eminent domain to do it, claiming that it was needed for the future so there would be outdoor recreational space. Well, finally when they'd exhausted about all they could do with that, then came the environmental surge and the urge that—for the environment—[*inaudible*].

We have 80 million acres of wilderness

land now. This is land that you cannot have a road in or anything of the kind. It's there because out of the 250-odd million Americans in this country, we realize that at least 240 million of them are backpackers who want to hike into that wilderness area. [*Laughter*]

But at one time one of the public officials in some of this land acquisition in Washington made a statement that was shocking. He said, "In the beginning we urged the private ownership in order to get development of the land. Now it is necessary for government to regain control over the land." And I realize, yes, there are some areas that I think still should be protected, that are so unique—I mean, in addition to the 80 million, to add to those. But let's be reasonable and sensible about that. And we intend to be. And if there is definite reason from an esthetic and the uniqueness of the land, a standpoint to do that, to add that to the wilderness, fine; but not to go out on the wholesale amounts that they are talking, because that wasn't the intention, and the private sector has not been guilty of rape of all the natural resources. There is today in the United States as much forest as there was when Washington was at Valley Forge.

And the industry itself now, with its sustained yield approach of replantings and cuts. There was a period once upon a time when there were so few people and this country loomed so big and unexplored that, yes, people used and then moved on. But that isn't true anymore. And—

Mr. Murphy. I was just going to say we have time for one more short question, Mr. President.

The President. Oh, I'm sorry. I'm answering them too long, but I—

Q. The President, many of our mills have their backs against the wall. They actually can't hold out much longer. Could you help to speed up the effort to find a solution to our timber contract problem?

The President. Yes, we shall work as fast as we can. I know that—some other things—I know that the threat of some subsidized import into America and so forth is being investigated by ITA, and that report is due in in July. But I know also that our

Commerce Department is looking at some of that and expects to have an answer in May, after a thorough investigation.

But, yes, we want to do everything we can, because, as I say, your industry and all that surrounds it, housing and so forth, this can start and this can end a recession, this industry. And it's encouraging that—and the word that was spoken about employees that are back at work. Just last October, the unemployment in your industry was just about 22 percent. It is now down to 14.1 percent. That's still too high, much too high. But that shows quite a sizable drop from October to the present. And we know that the housing starts are up at a level of about, annualized, a million seven. So, we're going to do everything we can.

Our idea is that—when I said in my State of the Union address, I know some people cheered the one line, but cheered for the wrong reason—when I said that government has a part to play, yes, it does. Government has a part to play by not doing the stupid things that it's been doing for so many years and by getting out of the way and getting off the back of business and industry.

Well, I won't try to top that. [Laughter]

Q. Well, Mr. President, we just can't thank you enough for sharing your insight into our forest products industry with us here today. It obviously is a historic day, a memorable occasion for all of us. We will make every effort to build on the spirit of cooperation you have extended to us. We

believe we can play a very major role in your economic recovery, and we want to be a major part of it.

The President. Well, we welcome you. And we won't try to be a senior partner.

Q. Mr. President, we have—you have a name [plate] sitting in front of you, but this is one that is out of about a 300-year-old Douglas fir. And it's got a little gold chain around there, and it memorializes our visit here in Klamath Falls with our industry here today. And we'd like to have you take that home with you.

The President. Well, thank you very much. I'd be very proud and happy to have that. Thank you.

Well, I guess the time has come to move on.

Q. Thank you very much, Mr. President.

Note: The President spoke at 12:12 p.m. in the employee lunchroom of the Weyerhaeuser Co. Prior to the meeting, he was given a tour of the company.

Earlier in the day, the President and Mrs. Reagan accompanied Queen Elizabeth II of the United Kingdom and Prince Philip to San Francisco International Airport for their departure to Yosemite National Park, Calif. The President then left for Klamath Falls.

Following his appearance at the Weyerhaeuser Co., the President attended a reception for Oregon Republicans at the Kingsley Field Passenger Terminal Building and then returned to Washington, D.C.

Statement on the Death of Three Secret Service Agents in California

March 5, 1983

It was with profound sadness and sorrow that I learned of the tragic deaths of three special agents of the United States Secret Service who gave their lives today in the service of their country. Pat LaBarge, Don Bejcek, and Don Robinson were professionals in every sense of the word—men whose duty required the utmost in courage and dedication. Nancy and I extend our deepest

sympathy to their wives, children, and families.

Note: The agents were killed in an automobile accident as they were traveling to Yosemite National Park, Calif., to join a detail assigned to protect Queen Elizabeth II of the United Kingdom and Prince Philip during their visit there.

Statement on the Presidential Elections in El Salvador

March 6, 1983

I would like to express my admiration and support for President Magaña and his Government for announcing Presidential elections this year. The decision reflects the profound desire of President Magaña and the Political Commission to achieve political reconciliation and to bring peace to that country. Through the effort of the Government's Peace Commission, the Presidential elections will be free and open to *all*—I stress *all*—political parties and groups who are committed to the peaceful resolution of disputes. We know that open, fair, free elec-

tions in that country is the political solution we all want. But more importantly, the people of El Salvador have already shown what they want. Their courage in going to the polls in overwhelming numbers last March, despite the threats from the insurgent groups, prove they want a political solution too.

President Magaña's announcement is a reaffirmation of his faith and ours that what counts in El Salvador are not bombs and bullets, but the will of the people expressed in open elections.

Nomination of Allen Clayton Davis To Be United States Ambassador to Uganda

March 7, 1983

The President today announced his intention to nominate Allen Clayton Davis, of Tennessee, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador to Uganda. He would succeed Gordon Robert Beyer, who is being assigned to the Department of State.

Mr. Davis served in the United States Navy in 1947–1953 as air intelligence officer, lieutenant commander. He entered the Foreign Service in 1956 as personnel placement officer in the Department. From 1958 to 1960, he was consular officer, then political officer in Monrovia. From 1960 to 1962, he served in the Department as international economist, then desk officer in the Bureau of African Affairs. He was adviser at the United States Mission to the United Nations in New York from September to December 1962. In the Department he was officer in charge of Belgium-Luxembourg

affairs (1962–1965) and attended Russian language training at the Foreign Service Institute (1965–1966). He was political officer in Moscow (1966–1968), counselor for political affairs and Deputy Chief of Mission in Ouagadougou (1968–1970), and counselor for political affairs in Algiers, American Interests Section of the Swiss Embassy (1970–1973). He attended the Army War College in 1973–1974. He was counselor and Deputy Chief of Mission in Dakar (1974–1977) and minister-counselor and Deputy Chief of Mission in Kinshasa (1977–1980). Since 1980 he has been Ambassador to the People's Revolutionary Republic of Guinea.

He attended Middle Tennessee State College (1945), Duke University (1945–1947), and George Washington University (1951–1954). In 1956 he received his B.S.F.S. from Georgetown University. His foreign languages are Russian and French. He was born August 23, 1927, in Glencliff, Tenn.

Nomination of Alfred S. Regnery To Be Administrator of the Office of Juvenile Justice and Delinquency Prevention

March 7, 1983

The President today announced his intention to nominate Alfred S. Regnery to be Administrator of the Office of Juvenile Justice and Delinquency Prevention, Department of Justice. This is a new position.

Since 1981 he has served as Deputy Assistant Attorney General, Land and Natural Resources Division, at the Department of Justice. He was chief legislative counsel to Senator Paul Laxalt and chief minority counsel, Judiciary Committee, in 1979–

1981. He was minority counsel, antitrust subcommittee, Senate Judiciary Committee, in 1978–1979. He practiced law with the firm of Stroud, Stroud, Willink, Thompson & Howard in 1972–1977.

Mr. Regnery graduated from Beloit College (B.A., 1965) and the University of Wisconsin Law School (J.D., 1971). He is married, has four children, and resides in Fairfax, Va. He was born November 21, 1942, in Chicago, Ill.

Message to the Congress Transmitting Proposed Enterprise Zone Employment and Development Legislation

March 7, 1983

To the Congress of the United States:

I am transmitting to the Congress today legislation entitled, "The Enterprise Zone Employment and Development Act of 1983." This legislation will provide for the creation of meaningful jobs within the private sector and the long-term revitalization of our Nation's most depressed areas. It is offered as one element of a comprehensive jobs package intended to attack unemployment, including such other elements as supplemental unemployment benefits, tax credits for hiring the long-term unemployed, a summer youth program, and additional funds for job training and relocation assistance.

In my January 25 State of the Union message, I indicated that we would reintroduce Enterprise Zone legislation in the 98th Congress. While this legislation carries forward the tax and regulatory relief measures of our earlier proposal in the 97th Congress, it contains several important additions which reflect the combined wisdom of the growing coalition supporting this idea, including the ideas of the small business community, State and local officials, labor organizations and the many members of Congress who

studied and debated our earlier legislation. We are confident that the net result is strong, farsighted legislation designed to unleash the creative energies of our free market economy in our most distressed urban areas. In these difficult days of high unemployment, the legislation is drafted to be of direct, primary benefit to disadvantaged workers and the long-term unemployed.

The high level of success experienced by the dozen or so State and local Enterprise Zone programs is very encouraging. Prompt Federal action is warranted to bolster State and local efforts, and it is in that spirit that I urge the early enactment of this legislation.

The Concept of Enterprise Zones

The Enterprise Zone program will improve the private sector's ability to provide new employment opportunities, and in turn, urban regeneration. It creates a productive free market environment in economically depressed areas by reducing taxes, regulations and other government burdens on economic activity. The removal of these burdens will create and expand

economic opportunity within the zone areas, allowing business firms and entrepreneurs to create jobs—particularly for disadvantaged workers—and expand economic activities.

Enterprise Zones are a fresh approach for promoting economic growth in the inner cities. The old approach relied on heavy government subsidies and central planning. A prime example was the Model Cities program of the 1960s, which concentrated government programs, subsidies and regulations in specific, depressed urban areas. The Enterprise Zone approach would remove government barriers, freeing individuals to create, produce and earn their own wages and profits.

Mindful of the need to control public expenditures, Enterprise Zones require no Federal appropriations other than necessary administrative expenses. Of course, states and cities have the option of allocating existing Federal funds for their Enterprise Zones if they desire, or to appropriate additional funds of their own for such zones.

Enterprise Zones are more than just a Federal initiative. State and local contributions to these zones will be critically important in the competitive, Federal designation of zones, and probably determine whether individual zones succeed or fail. In keeping with Constitutional requirements of federalism, State and local governments retain broad flexibility to develop the contributions to their zones most suitable to local conditions and preferences.

The Elements of Enterprise Zones

The Enterprise Zone program includes four basic elements:

- Tax reduction at the Federal, State and local levels to lessen the economic impediments to business investment and employment.

- Regulatory relief at the Federal, State and local levels to reduce costly burdens which are unnecessary to legitimate health and safety concerns.

- New efforts to improve local services, including experimentation with private alternatives to provide those services.

- Neighborhood involvement so that local residents participate in the economic success of their zones. For example, resident

owned Enterprise Zone businesses might provide local services which were previously monopolized by government.

By combining all these elements we will create the right economic environment for our Nation's depressed areas.

The Structure of the Enterprise Zone Program

Title I of the Act describes the program's structure and how the zones will be established.

The initial designation or establishment of each zone will depend on local leadership and initiative. To obtain the Federal incentives for Enterprise Zones, State and local governments must nominate eligible areas to the Secretary of HUD.

As defined by the Act, eligible areas include all UDAG eligible jurisdictions which have significant unemployment, poverty or population loss. Based on these criteria, currently more than 2,000 cities, rural areas and Indian reservations qualify. The Enterprise Zone program is a potential source of economic assistance to distressed areas of all types, shapes and sizes, all across the country.

The Secretary of HUD will be authorized to designate up to 75 zones over a three-year period. The actual number designated will depend on the number and quality of the applications.

Federal designation of nominated zones is not automatic. The Secretary of HUD will evaluate the various applications on a competitive basis, choosing the best applications for the limited number of Federal designations authorized. The key criterion in this competitive process will be the nature and strength of the State and local efforts to remove government burdens and to revitalize Enterprise Zone areas.

Thus, the Federal evaluation of State and local contributions will be highly flexible and not prescriptive. In this regard, the Secretary of HUD will not insist upon any particular item of tax and regulatory relief. A weakness of State and local incentives in one area, such as tax relief, could be offset by greater strength in another area such as regulatory relief.

Each Enterprise Zone will last for the

period chosen by the nominating State and local governments. The Federal incentives will apply to an approved zone for this entire period, up to a maximum of 20 years plus a 4-year, phase-out period.

The Federal Incentives of the Enterprise Zone Program

Title II of the Act describes the Federal Tax incentives applying within Enterprise Zones, which include:

- a 5 percent tax credit for capital investments in personal property in an Enterprise Zone;
- a 10 percent tax credit for the construction or rehabilitation of commercial, industrial or rental housing structures within a zone;
- a 10 percent tax credit to employers for payroll paid to qualified zone employees in excess of payroll paid to such employees in the year prior to zone designation, with a maximum credit of \$1,750 per worker;
- a special, strengthened tax credit to employers for wages paid to qualified zone employees who were disadvantaged individuals when hired, with the credit equal to 50 percent of wages in each of the first 3 years of employment, and declining by 10 percentage points in each year after that;
- a 5 percent tax credit, up to \$525 per worker to qualified zone employees for wages earned in zone employment;
- elimination of capital gains taxes for qualified property within Enterprise Zones;
- the designation of suitable Enterprise Zone areas as Foreign Trade Zones, providing relief from tariffs and import duties for goods subsequently exported to other countries;
- the continued availability of Industrial Development Bonds to small business in Enterprise Zones, even if the availability of such bonds is terminated elsewhere; and
- the permission for excess Enterprise Zone tax credits to be carried back three years and forward up to the life of the zone.

The Federal tax reductions applying to

Enterprise Zones are substantial. They include reductions for employers, employees, entrepreneurs and investors. They include incentives for attracting venture capital, hiring workers, particularly disadvantaged workers, and starting and building up new businesses. They include the reduction, and in some cases elimination, of corporate income taxes, individual income taxes and capital gains taxes.

The cost of the Enterprise Zone tax package should be minimal given the small amount of tax revenue presently generated in Enterprise Zones. Moreover, as the Enterprise Zone concept succeeds, the tax revenue attendant to increased economic activity should offset the tax losses in the initial years.

Title III of the Act describes the Federal regulatory relief applying within Enterprise Zones. Under these provisions, State and local governments may request relief for their Enterprise Zones from any Federal regulation, unless it would directly violate a requirement imposed by statute. There is no authority for any Federal regulatory relief within an Enterprise Zone without a request for such relief from both the State and local governments.

This regulatory relief authority expressly does not apply, however, to regulations designed to protect any person against discrimination because of race, color, religion, sex, marital status, national origin, age or handicap. It also does not cover any regulation whose relaxation would likely present a significant risk to the public safety, including environmental pollution. The minimum wage law would not be covered by this authority because it is specifically imposed and spelled out by statute.

The Role of State and Local Governments

While these Federal incentives are substantial, strong State and local contributions to the zones will be necessary for the program to succeed.

These contributions can be from each of the four basic categories noted earlier: tax relief; regulatory relief; improved local services; and increased participation by neighborhood organizations. More traditional urban efforts, such as job training, minority

business assistance or infrastructure grants, can also be contributed to the zone. Once again, consistent with the Administration's policy of restoring the Constitutional principle of federalism, the Federal government will not dictate to State and local governments what they must contribute to the zones.

The State and local contributions to the zones need not be costly. For example, regulatory relief, service improvements through privatization, and private sector involvement all entail no budgetary cost. Finally, as with the Federal tax relief, the cost of State and local tax relief should be modest because of the little economic activity currently existing in potential Enterprise Zone areas. State and local expenditures would be reduced as individuals who formerly received government aid are employed in the zone.

The legislation I am sending you today is based on the work of many Members from both sides of the aisle. I encourage these innovative individuals to work for early, bipartisan passage of this legislation.

More than government expenditures and subsidies, residents of economically-depressed areas need opportunities. This is the focus of the Enterprise Zone program. The program will identify and remove government barriers to entrepreneurs who can create jobs and economic growth. It will spark the latent talents and abilities already in existence in our Nation's most depressed areas. The success of State Enterprise Zones confirms that the concept deserves to be given a chance to work on the Federal level.

RONALD REAGAN

The White House,
March 7, 1983.

Statement on Proposed Enterprise Zone Employment and Development Legislation

March 7, 1983

I am sending to the Congress today legislation that will be of primary benefit to America's disadvantaged citizens in our most depressed areas. The Enterprise Zone Employment and Development Act is part of our comprehensive jobs approach, which will be forwarded later this week and which will include supplemental unemployment benefits, tax credits for hiring the long-term unemployed, additional funds for job training and relocation assistance, and other initiatives. Now that the economic recovery is bringing many laid-off workers back onto the job, it is time we concentrated on longer range problems of unemployment in disadvantaged areas.

The enterprise zone concept is a fresh approach for promoting economic growth not only in inner cities but in rural areas and on Indian reservations as well. It creates a productive free-market environment by reducing taxes, regulations, and other governmental burdens on economic activi-

ty. Our enterprise zone program includes four basic elements:

—Tax reduction at the Federal, State, and local levels to lessen the economic impediments to business investment and employment.

—Regulatory relief at the Federal, State, and local levels to reduce costly burdens which are unnecessary to legitimate health and safety concerns.

—New efforts to improve local services, including experimentation with private alternatives to provide those services.

—Neighborhood involvement so that local residents can participate in the economic success of their zones. For example, resident-owned enterprise zone businesses might provide local services which were previously monopolized by government.

The cost of the enterprise zone tax package should be minimal, given the small amount of tax revenue presently generated in enterprise zones. This program provides

a great opportunity at a minor cost. The legislation is based on the work of many Members of Congress from both sides of the aisle, and I encourage these innovative individuals to work for early, bipartisan passage.

This legislation says that we as a nation are not stymied by our problems. It says we

do have new ideas for the future. And it says to those who need our help the most that we have not forgotten them. We want all our citizens to share in America's recovery, and I believe this legislation will enable us to move closer to that goal.

Letter to the Speaker of the House and the President of the Senate on Nuclear Cooperation With EURATOM

March 7, 1983

Dear Mr. Speaker: (Dear Mr. President:)

The United States has been engaged in nuclear cooperation with the European Community for many years. This cooperation was initiated under agreements concluded over two decades ago between the United States and the European Atomic Energy Community (EURATOM) which extend until December 31, 1995. Since the inception of this cooperation, the Community has adhered to all its obligations under those agreements.

The Nuclear Non-Proliferation Act of 1978 amended the Atomic Energy Act to establish new nuclear export criteria, including a requirement that the United States have a right to consent to the reprocessing of fuel exported from the United States. Our present agreements for cooperation with EURATOM do not contain such a right. To avoid disrupting cooperation with EURATOM, a proviso was included in the law to enable continued cooperation until March 10, 1980, and provide for negotiations concerning our cooperation agreements.

The law also provides that nuclear cooperation with EURATOM can be extended on an annual basis after March 10, 1980, upon determination by the President that failure to cooperate would seriously prejudice the achievement of United States non-proliferation objectives or otherwise jeopardize the common defense and security and after notification to the Congress. President Carter made such a determination three years ago and signed Executive Order 12193, permitting continued nuclear

cooperation with EURATOM until March 10, 1981. I made such determinations in 1981 and 1982 and signed Executive Orders 12295 and 12351, permitting continued nuclear cooperation through March 10, 1983.

The United States has engaged in four rounds of talks with EURATOM regarding the renegotiation of the US-EURATOM agreements for cooperation. These were conducted in November 1978, September 1979, April 1980 and January 1982. We also consulted with EURATOM on a number of issues related to these agreements last summer. We expect to continue the talks in 1983.

I believe that it is essential that cooperation between the United States and the Community continue and likewise that we work closely with our Allies to counter the threat of nuclear explosives proliferation. A disruption of nuclear cooperation would also cause serious problems in our overall relationships. Accordingly, I have determined that failure to continue peaceful nuclear cooperation with EURATOM would be seriously prejudicial to the achievement of the United States non-proliferation objectives and would jeopardize the common defense and security of the United States. I intend to sign an Executive Order to extend the waiver of the application of the relevant export criterion of the Nuclear Non-Proliferation Act for an additional twelve months from March 10, 1983.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters of the House of Representatives, and George addressed to Thomas P. O'Neill, Jr., Speaker Bush, President of the Senate.

Executive Order 12409—Nuclear Cooperation with EURATOM *March 7, 1983*

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 126a(2) of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2155(a)(2)), and having determined that, upon the expiration of the period specified in the first proviso to Section 126a(2) of such Act and extended by Executive Orders No. 12193, 12295, and 12351, failure to continue peaceful nuclear cooperation with the European Atomic Energy Community would be seriously prejudicial to the achievement of

the United States non-proliferation objectives and would otherwise jeopardize the common defense and security of the United States, and having notified the Congress of this determination, I hereby extend the duration of that period to March 10, 1984.

RONALD REAGAN

The White House,
March 7, 1983.

[Filed with the Office of the Federal Register, 10:08 a.m., March 8, 1983]

Accordance of the Personal Rank of Ambassador to Abbott Washburn While Serving at the Region 2 Broadcasting-Satellite Conference *March 7, 1983*

The President today announced his intention to accord the personal rank of Ambassador to Abbott Washburn, of the District of Columbia, in his capacity as Chairman of the United States Delegation to the Region 2 Broadcasting-Satellite Conference of the International Telecommunication Union.

From 1937 to 1952, Mr. Washburn was manager of the department of public services at General Mills, Inc., in Minneapolis, Minn. He was executive vice chairman at the Crusade for Freedom, Inc., national headquarters in New York City in 1950–1952. In 1952 he was director of the organization (national headquarters) at the Citizens for Eisenhower in New York City and also correspondent and secretary as a member of the personnel staff of General Eisenhower in Denver and New York City. In 1961–1962 he was vice president of international operations at Carl Byoir and Associates, Inc., in Washington, D.C. He was

president of Washburn, Stringer Associates, Inc., in Washington, D.C., and Mexico City in 1962–1969. He began his government career in 1953 as Executive Secretary of the President's Committee on International Information Activities in Washington, D.C., and was deputy to the Special Assistant to the President at the White House. In 1953–1961 he was Deputy Director of the United States Information Agency. He was the United States Representative to the Plenipotentiary Conference on Definitive Arrangements for the International Telecommunications Satellite Consortium (Deputy Chairman in 1969–1970 and Chairman with the personal rank of Ambassador in 1970–1971). In 1971–1974 he was consultant to the Director of the Office of Telecommunications Policy in the Executive Office of the President. In 1974 he was a member of the Board for International Broadcasting. In

1974–1982 he was a Commissioner at the Federal Communications Commission. Since 1983 he has been Chairman of the United States Delegation to the Region 2 Broadcasting-Satellite Conference of the International Telecommunication Union at

the Department of State.

Mr. Washburn graduated from Harvard University (B.A., 1937). He served in the United States Navy as a lieutenant in 1942–1945. He was born March 1, 1915, in Duluth, Minn.

Appointment of James M. Ridenour as a Commissioner of the United States Section of the Great Lakes Fishery Commission *March 7, 1983*

The President today announced his intention to appoint James M. Ridenour to be a Commissioner of the United States Section of the Great Lakes Fishery Commission. He would succeed Frank R. Lockard.

Since 1981 Mr. Ridenour has been serving as director of the Indiana Department of Natural Resources. Previously he was director of administration for the Great Lakes Chemical Corp. in West Lafayette, Ind. He

served on the staff of the Council of State Governments at Lexington, Ky., in 1972–1978. He served in the United States Army in 1966–1969.

He graduated from Indiana University (B.S., 1964; M.S., 1965) and Colorado University (M.A., 1972). He is married, has two children, and resides in West Lafayette, Ind. He was born January 1, 1942.

Proclamation 5024—National Children and Television Week, 1983 *March 7, 1983*

*By the President of the United States
of America*

A Proclamation

Television has the power to shape thoughts, stir emotions, and inspire actions. It teaches, it sells, it entertains, it informs, and it has the capacity to influence powerfully the lives and values of our children. They learn much from television about the world, our society, and their place in it.

Television can communicate values that are consistent with our heritage and traditions and can portray those actions and attitudes that make for better citizens. It also can depict themes that are destructive of these values. Recognizing that children are at a formative and vulnerable stage in their lives, many individuals and groups have a great interest in television programming.

These concerned citizens are working to improve the quality of television programs viewed by their families.

By Senate Joint Resolution 264 (P.L. 97–443), the Congress has designated the week of March 13, 1983, through March 19, 1983, as “National Children and Television Week” and has authorized and requested the President to issue a proclamation in observance of that week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of March 13, 1983, through March 19, 1983, as “National Children and Television Week.” I commend all those persons concerned about the quality of children’s television programming, and I call upon all government agencies and the people of the United States to observe the week with appropriate activities

supporting television programs which are attentive to the needs and interests of children.

In Witness Whereof, I have hereunto set my hand this 7th day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the

United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:50 a.m., March 8, 1983]

Proclamation 5025—National Poison Prevention Week, 1983 March 7, 1983

By the President of the United States of America

A Proclamation

The annual observance of National Poison Prevention Week affords communities across America a special opportunity to increase citizen awareness of the dangers of accidental poisoning.

In recent years the number of poisonings among children has fallen dramatically, due in large measure to the introduction of child-protective packaging. At the community level, poison centers are an essential resource in reducing the incidence of serious injury resulting from accidental ingestions. By providing timely diagnostic and treatment information to medical practitioners and first aid instruction to anxious parents, poison centers have successfully worked to save lives.

While poison centers have proved invaluable, they often provide “after-the-fact” treatment. This year, National Poison Prevention Week will underscore the equally important role poison centers can play in preventing child poisonings “before the fact.”

Working together as sponsors of National Poison Prevention Week are national medical, pharmacy, nursing, dental, and hospital associations; health and safety groups; organizations representing manufacturers, pack-

agers, and distributors of consumer products, including medicines; the media; and government agencies. Most of these groups have State and local chapters and affiliates that, along with community organizations, are the backbone of what has become a successful nationwide poison prevention program.

To aid in encouraging the American people to learn of the dangers of accidental poisoning and to take appropriate preventive measures, the Congress, by a joint resolution approved September 26, 1961 (75 Stat. 681), requested the President to issue annually a proclamation designating the third week in March as National Poison Prevention Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning March 20, 1983, as National Poison Prevention Week.

In Witness Whereof, I have hereunto set my hand this 7th day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:51 a.m., March 8, 1983]

Proclamation 5026—National Agriculture Day, 1983 March 7, 1983

*By the President of the United States
of America*

A Proclamation

The history of American agriculture is an inspiring story of progress and sacrifice, high technology and individual effort, and frustration and success. It reflects the growth of our country from an untamed wilderness to the highly productive nation and world leader it is today.

Despite flood, frost, heat, hail, drought, and disease, Americans enjoy an abundance of diverse and high quality products. Our 2.4 million farms are the foundation for a trillion-dollar agricultural industry which employs 19 million farm people and which is the primary source of food and fiber for a third of a billion of the world's population. Each American farm worker produces enough food and fiber to support nearly 80 people—a production achievement unmatched anywhere in the world and unparalleled in history.

The courage, tenacity, and know-how of the American farmer make it possible for our citizens to spend a smaller share of their income on food than do people living

in any other country.

To honor those who sustain our agricultural prowess and to achieve a greater understanding of each American's dependence upon a reliable food and fiber supply, the Congress of the United States, by Senate Joint Resolution 235, has authorized and requested the President to proclaim March 21, 1983, as "National Agriculture Day."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim March 21, 1983, as "National Agriculture Day" and call upon the people of the United States to observe this day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 7th day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:52 a.m., March 8, 1983]

Proclamation 5027—National Coin Week, 1983 March 7, 1983

*By the President of the United States
of America*

A Proclamation

Since the beginning of history, coins have played an important role in the story of civilization. They reflect the economic development of their country of origin, as well as the scientific advancement and artistic values of the people who produce and use them. Today, millions of Americans collect coins for both pleasure and profit.

To help foster the public's interest in coin collecting, the United States Mint annually offers proof sets of the current year's coin-

age. In 1982, the United States Mint struck a commemorative silver half-dollar marking the 250th anniversary of the birth of George Washington. In 1983-1984, the first commemorative Olympic coinage ever issued by our country will be introduced in gold and silver.

Recognizing that coin collecting has educational and cultural value, promotes greater understanding of our history and heritage, and is enjoyed by millions of Americans, the Congress, pursuant to House Joint Resolution 516 (Public Law 97-239), has authorized and requested the President to

issue a proclamation designating the week beginning April 17, 1983, as "National Coin Week."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning April 17, 1983, as "National Coin Week" and call upon the people of the United States to observe this week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 7th day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:53 a.m., March 8, 1983]

Proclamation 5028—Small Business Week, 1983

March 7, 1983

By the President of the United States of America

A Proclamation

Our Founding Fathers envisioned a nation whose strength and vitality would emerge from the ingenuity of its people and their commitment to individual liberty. They understood that a nation's prosperity is dependent on the freedom of its citizens to pursue their hopes, dreams, and creative ambitions. American entrepreneurs and small business owners enthusiastically embraced the challenges of freedom and through the miracle of the marketplace set in motion the forces of economic growth that made our Nation uniquely productive. This pattern of economic development has inspired people throughout the world to look to America for a better life.

The Nation grew as our free enterprise system became the mainspring of American progress by encouraging entrepreneurs to compete in meeting the demand for new products and methods of production. Competition enabled us to develop our human resources more effectively and enrich our society. With each new discovery, our perception of what could be achieved expanded.

Today small business plays an even more vital role in our national life and is responsible for the creation of well over half of the

new jobs in our economy. Small business is also in the forefront of utilizing technological advances.

America's entrepreneurs and small business owners are among the most dynamic and innovative leaders of the business community. Their willingness to confront uncertainty with creativity and determination to succeed helps our Nation meet the challenges we face today. This spirit of accomplishment inspires Americans to look toward tomorrow with confidence and anticipation to the new opportunities open to future generations. By taking steps to encourage the formation and success of small businesses, America can help ensure its economic standing in the world.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning May 8, 1983, as Small Business Week. I call upon every American to join me in this tribute.

In Witness Whereof, I have hereunto set my hand this 7th day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:54 a.m., March 8, 1983]

Remarks During a Visit to Walt Disney World's EPCOT Center Near Orlando, Florida

March 8, 1983

Thank you very much. And I thank you very much for that very generous and kind introduction. And to prove how grateful I am, I, a Californian, will say to a Floridian, I have just returned from California, and this is the first time I've seen sunshine in 2 weeks. *[Laughter]*

Well, I'm delighted to be here. I'm especially pleased to acknowledge the presence today of a group of students from eight countries. They're participants in the World Showcase Fellowship Program which Disney World has generously established as part of EPCOT. This excellent program brings young people from Canada, China, France, Germany, Italy, Japan, Mexico, and the United Kingdom to EPCOT. It gives them the opportunity to experience American culture firsthand, to learn and, even more important, to teach.

This is just the kind of approach that we're encouraging through the President's International Youth Exchange Initiative which I announced last May at the White House. For those of you who haven't seen it—well, first of all, let me say I'm convinced that people-to-people programs like World Showcase and the International Youth Initiative are one of the best ways to build real understanding in the world.

I'm very happy to see so many young people here today, the math and science whizzes of central Florida, plus the students participating in the World Showcase Fellowship Program. And you adults are welcome, too. *[Laughter]*

I just watched a program—I don't know just what to call it—a show, a pageant with several hundred of my junior high and high school friends here, and I'm pleased to announce I didn't get hit with one spitball. *[Laughter]* But this program does capture the vitality of what we represent as a nation. And as I'd started to say earlier, I was going to remark that earlier—for those of you who haven't seen it—at one point in the movie Mark Twain, speaking of America, says, "We soared into the 20th century

on the wings of invention and the winds of change."

Well, in a few years' time, we Americans will soar into the 21st century and again it will be on the wings of invention and the winds of change. This afternoon, I'd like to explain how you, our young people, can ride those wings and winds of the future to a better life.

Abraham Lincoln is supposed to have said that the best thing about the future is that it comes only 1 day at a time. In this modern age, it often seems to come more quickly than that, I know. Our nation is speeding toward the future at this very moment. We can see it coming. We can see its shape. I know in your history books you've read about the Industrial Revolution. Well, today we're in the midst of another revolution, one marked by the explosion of technological advances. It's a revolution of microchips and biotechnology. And, yes, it is ironic that products seen only through a microscope can cause such large changes in our society.

We can see the benefits of this revolution already. Many of the advantages you can view right here at EPCOT Center, which itself is a celebration of tomorrow.

Other aspects of the transition are more difficult and painful to bear. A large number of people are unemployed, not because of the recession but because their former jobs were in declining industries. Their skills are not in demand in the post-industrial America. And, as you know, this has caused grievous hardship.

I don't want any of you young people to suffer what some of your parents are experiencing. I want you to have the training and the skills to meet the future. Even without knowing it, you're being prepared for a new age. Many of you already understand better than my generation ever will the possibilities of computers. In some of your homes, the computer is as available as the television set. And I recently learned something quite interesting about video

games. Many young people have developed incredible hand, eye, and brain coordination in playing these games. The Air Force believes these kids will be outstanding pilots should they fly our jets. The computerized radar screen in the cockpit is not unlike the computerized video screen. Watch a 12-year-old take evasive action and score multiple hits while playing "Space Invaders," and you will appreciate the skills of tomorrow's pilot.

Now, don't get me wrong. I don't want the youth of this country to run home and tell their parents that the President of the United States says it's all right for them to go ahead and play video games all the time. [Laughter] Homework, sports, and friends still come first. What I am saying is that right now you're being prepared for tomorrow in many ways, and in ways that many of us who are older cannot fully comprehend.

But those of my generation, and now I have to say and of your parents' generation, cannot just assume that you will adapt to the future. We must conscientiously prepare you for the years ahead. We must provide you with a good education, with solid math and science instruction. Not only will math and science serve you well in meeting the future, it'll serve the Nation.

We Americans are still the technological leaders in most fields. And we must keep that edge. But to keep it, we need scientists and engineers and mathematicians. Many of you here today are above average in math and science skills. You have won awards for your knowledge; and you will be among the brightest of tomorrow's work force.

But I want to give you some facts and figures here. And, by the way, I have been known to give a pop quiz now and then. [Laughter] But I want to show you the challenge that we as a nation face. Japan, with a population only about half the size of ours, graduates from its universities more engineers than we do. In Japan, specialized study in mathematics, biology, and physics starts in the sixth grade. Or take the Soviet Union—Soviet students learn the basic concepts of algebra and geometry in elementary school—that's *elementary school*. And then they get 4 more years of advanced mathematics in high school. I have a feeling

the kids in the Soviet Union have to hit the books a bit more than American students.

Not surprisingly, the Soviet Union graduates from college almost five times more engineering specialists than the United States. The number of scientists and engineers engaged in research and development in the United States has increased by only 25 percent between 1964 and 1979. The increase in France was 90 percent, 125 percent in Germany, and 145 percent in Japan.

Obviously, we must do better or we will be overtaken. In math and science instruction, the United States is a slow learner among the major industrial nations. Like millions of other Americans, I'm a firm believer in the back-to-basics movement, because it is the basics that will best prepare us for the future. I think you would agree that if a young person doesn't receive adequate math and science teaching by age 16, he or she has lost the chance to become a scientist or an engineer.

There's a story about a boy whose math homework paper was less than inspiring. Now, I know that yours are never like that. [Laughter] When the boy's paper was handed back, the teacher said, "I never saw so many errors in my life. I just can't understand how one person could have made all these mistakes." And the boy said, "One person didn't; my father helped me." [Laughter]

Well, your generation will need better math and science skills than your fathers' generation. And the America of tomorrow will also need those skills more than the America of today. Since the future is technological, we simply must educate more people in the technological areas. And that's one reason I'm delighted to see more women going into scientific and engineering fields. I am especially pleased that eight women have been selected as astronauts for the shuttle flights—all with advanced degrees, Ph. D.'s in engineering and physical sciences, two have medical degrees. And late this spring on a launch pad not far from here, a woman named Sally Ride will have the ride of a lifetime—she'll blast off in the space shuttle, becoming America's first woman in space.

The relatively short supply of technically qualified people in the United States is not because we don't have enough students, men or women, interested in tomorrow's job opportunities. In fact, engineering schools have to turn away many qualified students. The principal reason is the shortage of engineering faculty in universities and qualified math and science teachers in the secondary schools. This shortage cannot continue. And I know you'll be happy to hear that we intend to improve the quality of math and science education. And right now we're working with the Congress to determine the funding necessary to begin reducing this shortage. We seek a fiscally responsible initiative in this area—fair not only to your educational future but your economic future, as well.

Private industry is also recognizing the problem and seeking ways to correct it. The American Electronics Association's goal is to obtain contributions from its high technology companies equal to 2 percent of their research and development budgets. I also know businesses around the country are loaning computers and other equipment to schools to prepare students for the new age. It's this kind of commitment from the private sector that will eventually help us meet the math and science shortages that we face. That's a great thing—if our visitors will forgive me for being chauvinistic—that's a great thing about our country. Once we've determined what the problem is, we take out after it.

I know you young people are bombarded hourly with the problems the Nation faces. And, yes, we do have problems which all of us are working to solve. But you can't become paralyzed by these obstacles. This sounds like something you'll hear at graduation, but you really do have a wonderful future ahead of you. Don't be afraid of it. The future is what America has always represented. My generation wishes it had the years left to us that you have left to you. The things you'll see, the changes that you will experience—we just can't imagine them all.

Hang on to the American spirit of adventure as you head into this future. Remember the quote by Thomas Wolfe that we heard in that program we've just seen, "To

everyone a chance, to all people, regardless of their birth, the right to live, to work, to become whatever their visions can combine to make them." This is the promise of America.

You, too, are the promise of America. And I came here to tell you today that I believe very much in you. I believe in your intelligence and your courage and your determination. And when the time arrives, the people of my generation will be very proud to turn America over to your care.

May I just, in the spirit of that program that we saw, also say something about the presence here of our gifts, of this exchange program where you, of the same age, will meet with those from other countries and get to know each other as human beings and as individuals. I have always believed that a lot of the problems in the world come about because people talk about each other instead of to each other. And maybe one day, with programs of this kind, you are setting the stage for the dream that has lived with mankind from the first and earliest days of history, and that is the dream of peace; that one day, knowing each other, it will be impossible for someone to say to you that there must be a war or that you must take arms and do away with these people that you have come to know so well.

And we shall do everything we can to see that this program prospers and goes forward and increases the ability of young generations like your own to meet and become acquainted with others around the world.

I've used up all of my time here, and I know they have other things for me to do, but I don't know that they will be as much of a high spot as this has been. And I just want to say to all of you, thank you, and God bless you all.

Thank you.

Note: The President spoke at 1:52 p.m. in the Amphitheater at the Experimental Prototype Community of Tomorrow (EPCOT) Center. He addressed outstanding math and science students from the central Florida area and guests of the center, after an introduction by Richard Nunis, executive vice president of Disney Enterprises.

Prior to his remarks, the President viewed

"The American Adventure," a film and animation presentation depicting a three-century rediscovery of America. The film was presented jointly by the American Express and Coca-Cola Companies and is the centerpiece of World Showcase, that portion of EPCOT which, through pavilion displays, recreates the architecture and culture of nine countries.

After the presentation, the President vis-

ited with students participating in the World Showcase Fellowship Program, an educational and cultural exchange program designed to enable outstanding young adults to represent their various countries for 1 year in the pavilions of World Showcase. The fellowship program is part of the President's private sector initiative on international youth exchange.

Remarks at the Annual Convention of the National Association of Evangelicals in Orlando, Florida March 8, 1983

Reverend clergy all, Senator Hawkins, distinguished members of the Florida congressional delegation, and all of you:

I can't tell you how you have warmed my heart with your welcome. I'm delighted to be here today.

Those of you in the National Association of Evangelicals are known for your spiritual and humanitarian work. And I would be especially remiss if I didn't discharge right now one personal debt of gratitude. Thank you for your prayers. Nancy and I have felt their presence many times in many ways. And believe me, for us they've made all the difference.

The other day in the East Room of the White House at a meeting there, someone asked me whether I was aware of all the people out there who were praying for the President. And I had to say, "Yes, I am. I've felt it. I believe in intercessory prayer." But I couldn't help but say to that questioner after he'd asked the question that—or at least say to them that if sometimes when he was praying he got a busy signal, it was just me in there ahead of him. [*Laughter*] I think I understand how Abraham Lincoln felt when he said, "I have been driven many times to my knees by the overwhelming conviction that I had nowhere else to go."

From the joy and the good feeling of this conference, I go to a political reception. [*Laughter*] Now, I don't know why, but that bit of scheduling reminds me of a story—

[*laughter*—which I'll share with you.

An evangelical minister and a politician arrived at Heaven's gate one day together. And St. Peter, after doing all the necessary formalities, took them in hand to show them where their quarters would be. And he took them to a small, single room with a bed, a chair, and a table and said this was for the clergyman. And the politician was a little worried about what might be in store for him. And he couldn't believe it then when St. Peter stopped in front of a beautiful mansion with lovely grounds, many servants, and told him that these would be his quarters.

And he couldn't help but ask, he said, "But wait, how—there's something wrong—how do I get this mansion while that good and holy man only gets a single room?" And St. Peter said, "You have to understand how things are up here. We've got thousands and thousands of clergy. You're the first politician who ever made it." [*Laughter*]

But I don't want to contribute to a stereotype. [*Laughter*] So, I tell you there are a great many God-fearing, dedicated, noble men and women in public life, present company included. And, yes, we need your help to keep us ever mindful of the ideas and the principles that brought us into the public arena in the first place. The basis of those ideals and principles is a commitment to freedom and personal liberty that, itself, is grounded in the much deeper realization

that freedom prospers only where the blessings of God are avidly sought and humbly accepted.

The American experiment in democracy rests on this insight. Its discovery was the great triumph of our Founding Fathers, voiced by William Penn when he said: "If we will not be governed by God, we must be governed by tyrants." Explaining the inalienable rights of men, Jefferson said, "The God who gave us life, gave us liberty at the same time." And it was George Washington who said that "of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports."

And finally, that shrewdest of all observers of American democracy, Alexis de Tocqueville, put it eloquently after he had gone on a search for the secret of America's greatness and genius—and he said: "Not until I went into the churches of America and heard her pulpits aflame with righteousness did I understand the greatness and the genius of America. . . . America is good. And if America ever ceases to be good, America will cease to be great."

Well, I'm pleased to be here today with you who are keeping America great by keeping her good. Only through your work and prayers and those of millions of others can we hope to survive this perilous century and keep alive this experiment in liberty, this last, best hope of man.

I want you to know that this administration is motivated by a political philosophy that sees the greatness of America in you, her people, and in your families, churches, neighborhoods, communities—the institutions that foster and nourish values like concern for others and respect for the rule of law under God.

Now, I don't have to tell you that this puts us in opposition to, or at least out of step with, a prevailing attitude of many who have turned to a modern-day secularism, discarding the tried and time-tested values upon which our very civilization is based. No matter how well intentioned, their value system is radically different from that of most Americans. And while they proclaim that they're freeing us from superstitions of the past, they've taken upon themselves the job of superintending us by

government rule and regulation. Sometimes their voices are louder than ours, but they are not yet a majority.

An example of that vocal superiority is evident in a controversy now going on in Washington. And since I'm involved, I've been waiting to hear from the parents of young America. How far are they willing to go in giving to government their prerogatives as parents?

Let me state the case as briefly and simply as I can. An organization of citizens, sincerely motivated and deeply concerned about the increase in illegitimate births and abortions involving girls well below the age of consent, sometime ago established a nationwide network of clinics to offer help to these girls and, hopefully, alleviate this situation. Now, again, let me say, I do not fault their intent. However, in their well-intentioned effort, these clinics have decided to provide advice and birth control drugs and devices to underage girls without the knowledge of their parents.

For some years now, the Federal Government has helped with funds to subsidize these clinics. In providing for this, the Congress decreed that every effort would be made to maximize parental participation. Nevertheless, the drugs and devices are prescribed without getting parental consent or giving notification after they've done so. Girls termed "sexually active"—and that has replaced the word "promiscuous"—are given this help in order to prevent illegitimate birth or abortion.

Well, we have ordered clinics receiving Federal funds to notify the parents such help has been given. One of the Nation's leading newspapers has created the term "squeal rule" in editorializing against us for doing this, and we're being criticized for violating the privacy of young people. A judge has recently granted an injunction against an enforcement of our rule. I've watched TV panel shows discuss this issue, seen columnists pontificating on our error, but no one seems to mention morality as playing a part in the subject of sex.

Is all of Judeo-Christian tradition wrong? Are we to believe that something so sacred can be looked upon as a purely physical thing with no potential for emotional and

psychological harm? And isn't it the parents' right to give counsel and advice to keep their children from making mistakes that may affect their entire lives?

Many of us in government would like to know what parents think about this intrusion in their family by government. We're going to fight in the courts. The right of parents and the rights of family take precedence over those of Washington-based bureaucrats and social engineers.

But the fight against parental notification is really only one example of many attempts to water down traditional values and even abrogate the original terms of American democracy. Freedom prospers when religion is vibrant and the rule of law under God is acknowledged. When our Founding Fathers passed the first amendment, they sought to protect churches from government interference. They never intended to construct a wall of hostility between government and the concept of religious belief itself.

The evidence of this permeates our history and our government. The Declaration of Independence mentions the Supreme Being no less than four times. "In God We Trust" is engraved on our coinage. The Supreme Court opens its proceedings with a religious invocation. And the Members of Congress open their sessions with a prayer. I just happen to believe the schoolchildren of the United States are entitled to the same privileges as Supreme Court Justices and Congressmen.

Last year, I sent the Congress a constitutional amendment to restore prayer to public schools. Already this session, there's growing bipartisan support for the amendment, and I am calling on the Congress to act speedily to pass it and to let our children pray.

Perhaps some of you read recently about the Lubbock school case, where a judge actually ruled that it was unconstitutional for a school district to give equal treatment to religious and nonreligious student groups, even when the group meetings were being held during the students' own time. The first amendment never intended to require government to discriminate against religious speech.

Senators Denton and Hatfield have proposed legislation in the Congress on the

whole question of prohibiting discrimination against religious forms of student speech. Such legislation could go far to restore freedom of religious speech for public school students. And I hope the Congress considers these bills quickly. And with your help, I think it's possible we could also get the constitutional amendment through the Congress this year.

More than a decade ago, a Supreme Court decision literally wiped off the books of 50 States statutes protecting the rights of unborn children. Abortion on demand now takes the lives of up to 1½ million unborn children a year. Human life legislation ending this tragedy will some day pass the Congress, and you and I must never rest until it does. Unless and until it can be proven that the unborn child is not a living entity, then its right to life, liberty, and the pursuit of happiness must be protected.

You may remember that when abortion on demand began, many, and, indeed, I'm sure many of you, warned that the practice would lead to a decline in respect for human life, that the philosophical premises used to justify abortion on demand would ultimately be used to justify other attacks on the sacredness of human life—infanticide or mercy killing. Tragically enough, those warnings proved all too true. Only last year a court permitted the death by starvation of a handicapped infant.

I have directed the Health and Human Services Department to make clear to every health care facility in the United States that the Rehabilitation Act of 1973 protects all handicapped persons against discrimination based on handicaps, including infants. And we have taken the further step of requiring that each and every recipient of Federal funds who provides health care services to infants must post and keep posted in a conspicuous place a notice stating that "discriminatory failure to feed and care for handicapped infants in this facility is prohibited by Federal law." It also lists a 24-hour, toll-free number so that nurses and others may report violations in time to save the infant's life.

In addition, recent legislation introduced in the Congress by Representative Henry Hyde of Illinois not only increases restric-

tions on publicly financed abortions, it also addresses this whole problem of infanticide. I urge the Congress to begin hearings and to adopt legislation that will protect the right of life to all children, including the disabled or handicapped.

Now, I'm sure that you must get discouraged at times, but you've done better than you know, perhaps. There's a great spiritual awakening in America, a renewal of the traditional values that have been the bedrock of America's goodness and greatness.

One recent survey by a Washington-based research council concluded that Americans were far more religious than the people of other nations; 95 percent of those surveyed expressed a belief in God and a huge majority believed the Ten Commandments had real meaning in their lives. And another study has found that an overwhelming majority of Americans disapprove of adultery, teenage sex, pornography, abortion, and hard drugs. And this same study showed a deep reverence for the importance of family ties and religious belief.

I think the items that we've discussed here today must be a key part of the Nation's political agenda. For the first time the Congress is openly and seriously debating and dealing with the prayer and abortion issues—and that's enormous progress right there. I repeat: America is in the midst of a spiritual awakening and a moral renewal. And with your Biblical keynote, I say today, "Yes, let justice roll on like a river, righteousness like a never-failing stream."

Now, obviously, much of this new political and social consensus I've talked about is based on a positive view of American history, one that takes pride in our country's accomplishments and record. But we must never forget that no government schemes are going to perfect man. We know that living in this world means dealing with what philosophers would call the phenomenology of evil or, as theologians would put it, the doctrine of sin.

There is sin and evil in the world, and we're enjoined by Scripture and the Lord Jesus to oppose it with all our might. Our nation, too, has a legacy of evil with which it must deal. The glory of this land has been its capacity for transcending the moral evils of our past. For example, the long struggle

of minority citizens for equal rights, once a source of disunity and civil war, is now a point of pride for all Americans. We must never go back. There is no room for racism, anti-Semitism, or other forms of ethnic and racial hatred in this country.

I know that you've been horrified, as have I, by the resurgence of some hate groups preaching bigotry and prejudice. Use the mighty voice of your pulpits and the powerful standing of your churches to denounce and isolate these hate groups in our midst. The commandment given us is clear and simple: "Thou shalt love thy neighbor as thyself."

But whatever sad episodes exist in our past, any objective observer must hold a positive view of American history, a history that has been the story of hopes fulfilled and dreams made into reality. Especially in this century, America has kept alight the torch of freedom, but not just for ourselves but for millions of others around the world.

And this brings me to my final point today. During my first press conference as President, in answer to a direct question, I pointed out that, as good Marxist-Leninists, the Soviet leaders have openly and publicly declared that the only morality they recognize is that which will further their cause, which is world revolution. I think I should point out I was only quoting Lenin, their guiding spirit, who said in 1920 that they repudiate all morality that proceeds from supernatural ideas—that's their name for religion—or ideas that are outside class conceptions. Morality is entirely subordinate to the interests of class war. And everything is moral that is necessary for the annihilation of the old, exploiting social order and for uniting the proletariat.

Well, I think the refusal of many influential people to accept this elementary fact of Soviet doctrine illustrates an historical reluctance to see totalitarian powers for what they are. We saw this phenomenon in the 1930's. We see it too often today.

This doesn't mean we should isolate ourselves and refuse to seek an understanding with them. I intend to do everything I can to persuade them of our peaceful intent, to remind them that it was the West that refused to use its nuclear monopoly in the

forties and fifties for territorial gain and which now proposes 50-percent cut in strategic ballistic missiles and the elimination of an entire class of land-based, intermediate-range nuclear missiles.

At the same time, however, they must be made to understand we will never compromise our principles and standards. We will never give away our freedom. We will never abandon our belief in God. And we will never stop searching for a genuine peace. But we can assure none of these things America stands for through the so-called nuclear freeze solutions proposed by some.

The truth is that a freeze now would be a very dangerous fraud, for that is merely the illusion of peace. The reality is that we must find peace through strength.

I would agree to a freeze if only we could freeze the Soviets' global desires. A freeze at current levels of weapons would remove any incentive for the Soviets to negotiate seriously in Geneva and virtually end our chances to achieve the major arms reductions which we have proposed. Instead, they would achieve their objectives through the freeze.

A freeze would reward the Soviet Union for its enormous and unparalleled military buildup. It would prevent the essential and long overdue modernization of United States and allied defenses and would leave our aging forces increasingly vulnerable. And an honest freeze would require extensive prior negotiations on the systems and numbers to be limited and on the measures to ensure effective verification and compliance. And the kind of a freeze that has been suggested would be virtually impossible to verify. Such a major effort would divert us completely from our current negotiations on achieving substantial reductions.

A number of years ago, I heard a young father, a very prominent young man in the entertainment world, addressing a tremendous gathering in California. It was during the time of the cold war, and communism and our own way of life were very much on people's minds. And he was speaking to that subject. And suddenly, though, I heard him saying, "I love my little girls more than anything—" And I said to myself, "Oh,

no, don't. You can't—don't say that." But I had underestimated him. He went on: "I would rather see my little girls die now, still believing in God, than have them grow up under communism and one day die no longer believing in God."

There were thousands of young people in that audience. They came to their feet with shouts of joy. They had instantly recognized the profound truth in what he had said, with regard to the physical and the soul and what was truly important.

Yes, let us pray for the salvation of all of those who live in that totalitarian darkness—pray they will discover the joy of knowing God. But until they do, let us be aware that while they preach the supremacy of the state, declare its omnipotence over individual man, and predict its eventual domination of all peoples on the Earth, they are the focus of evil in the modern world.

It was C. S. Lewis who, in his unforgettable "Screwtape Letters," wrote: "The greatest evil is not done now in those sordid 'dens of crime' that Dickens loved to paint. It is not even done in concentration camps and labor camps. In those we see its final result. But it is conceived and ordered (moved, seconded, carried and minuted) in clear, carpeted, warmed, and well-lighted offices, by quiet men with white collars and cut fingernails and smooth-shaven cheeks who do not need to raise their voice."

Well, because these "quiet men" do not "raise their voices," because they sometimes speak in soothing tones of brotherhood and peace, because, like other dictators before them, they're always making "their final territorial demand," some would have us accept them at their word and accommodate ourselves to their aggressive impulses. But if history teaches anything, it teaches that simple-minded appeasement or wishful thinking about our adversaries is folly. It means the betrayal of our past, the squandering of our freedom.

So, I urge you to speak out against those who would place the United States in a position of military and moral inferiority. You know, I've always believed that old Screwtape reserved his best efforts for those of you in the church. So, in your discussions of

the nuclear freeze proposals, I urge you to beware the temptation of pride—the temptation of blithely declaring yourselves above it all and label both sides equally at fault, to ignore the facts of history and the aggressive impulses of an evil empire, to simply call the arms race a giant misunderstanding and thereby remove yourself from the struggle between right and wrong and good and evil.

I ask you to resist the attempts of those who would have you withhold your support for our efforts, this administration's efforts, to keep America strong and free, while we negotiate real and verifiable reductions in the world's nuclear arsenals and one day, with God's help, their total elimination.

While America's military strength is important, let me add here that I've always maintained that the struggle now going on for the world will never be decided by bombs or rockets, by armies or military might. The real crisis we face today is a spiritual one; at root, it is a test of moral will and faith.

Whittaker Chambers, the man whose own religious conversion made him a witness to one of the terrible traumas of our time, the Hiss-Chambers case, wrote that the crisis of the Western World exists to the degree in which the West is indifferent to God, the degree to which it collaborates in communism's attempt to make man stand alone without God. And then he said, for Marxism-Leninism is actually the second oldest faith, first proclaimed in the Garden

of Eden with the words of temptation, "Ye shall be as gods."

The Western World can answer this challenge, he wrote, "but only provided that its faith in God and the freedom He enjoins is as great as communism's faith in Man."

I believe we shall rise to the challenge. I believe that communism is another sad, bizarre chapter in human history whose last pages even now are being written. I believe this because the source of our strength in the quest for human freedom is not material, but spiritual. And because it knows no limitation, it must terrify and ultimately triumph over those who would enslave their fellow man. For in the words of Isaiah: "He giveth power to the faint; and to them that have no might He increased strength. . . . But they that wait upon the Lord shall renew their strength; they shall mount up with wings as eagles; they shall run, and not be weary. . . ."

Yes, change your world. One of our Founding Fathers, Thomas Paine, said, "We have it within our power to begin the world over again." We can do it, doing together what no one church could do by itself.

God bless you, and thank you very much.

Note: The President spoke at 3:04 p.m. in the Citrus Crown Ballroom at the Sheraton Twin Towers Hotel.

Following his appearance before the convention, the President attended a Florida Republican fundraising reception at the hotel and then returned to Washington, D.C.

Message to the Congress Transmitting the Proposed Constitutional Amendment on Prayer in Schools March 8, 1983

To the Congress of the United States:

On May 17, 1982, I transmitted for your consideration a proposed constitutional amendment to restore the simple freedom of our citizens to offer prayer in our public schools and institutions. I know that already this Session there is growing bipartisan support for the amendment and as I forward

this package, I am calling on the Congress to act speedily to pass it.

The public expression through prayer of our faith in God is a fundamental part of our American heritage and a privilege which should not be excluded by law from any American school, public or private.

One hundred fifty years ago, Alexis de

Tocqueville found that all Americans believed that religious faith was indispensable to the maintenance of their republican institutions. Today, I join with the people of this Nation in acknowledging this basic truth, that our liberty springs from and depends upon an abiding faith in God. This has been clear from the time of George Washington, who stated in his Farewell Address:

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. . . . And let us with caution indulge the supposition that morality can be maintained without religion. . . . [R]eason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle.

Nearly every President since Washington has proclaimed a day of public prayer and thanksgiving to acknowledge the many favors of Almighty God. We have acknowledged God's guidance on our coinage, in our National anthem, and in the Pledge of Allegiance. As the Supreme Court stated in 1952, "We are a religious people whose institutions presuppose a Supreme Being."

The founders of our Nation and the framers of the First Amendment did not intend to forbid public prayer. On the contrary, prayer has been part of our public assemblies since Benjamin Franklin's eloquent request that prayer be observed by the Constitutional Convention:

I have lived, Sir, a long time, and the longer I live, the more convincing proofs I see of this truth—that God governs in the affairs of men. . . . I also believe that without his concurring aid we shall succeed in this political building no better than the Builders of Babel: We shall be divided by our little partial local interests; our projects will be confounded, and we ourselves shall become a reproach and by word down to future ages

I therefore beg leave to move—that henceforth prayers imploring the assistance of Heaven, and its blessings on our deliberations, be held in this Assembly every morning before we proceed to business. . . .

Just as Benjamin Franklin believed it was beneficial for the Constitutional Convention to begin each day's work with a prayer, I believe that it would be beneficial for our children to have an opportunity to begin each school day in the same manner. Since the law has been construed to prohibit this, I believe that the law should be changed. It is time for the people, through their Congress and the State legislatures, to act, using the means afforded them by the Constitution.

The amendment I proposed will remove the bar to school prayer established by the Supreme Court and allow prayer back in our schools. However, the amendment also expressly affirms the right of anyone to refrain from prayer. The amendment will allow communities to determine for themselves whether prayer should be permitted in their public schools and to allow individuals to decide for themselves whether they wish to participate in prayer.

I urge that this amendment be quickly adopted, for the vast majority of our people believe there is a need for prayer in our public schools and institutions. I look forward to working with the Congress to achieve the passage of this amendment.

RONALD REAGAN

The White House,
March 8, 1983.

Joint Resolution

Proposing an amendment to the Constitution of the United States.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress:

"Article —

"Nothing in this Constitution shall be construed to prohibit individual or group

prayer in public schools or other public institutions. No person shall be required by

the United States or by any State to participate in prayer."

Appointment of Rita Di Martino as United States Representative on the Executive Board of the United Nations Children's Fund

March 8, 1983

The President today announced his intention to appoint Rita Di Martino to be the Representative of the United States of America on the Executive Board of the United Nations Children's Fund. She will succeed Marjorie Craig Benton.

She is presently serving as district manager, public relations, American Telephone and Telegraph Co. She was senior business

consultant for the New York State Department of Commerce in 1974-1978. She was with Thomas McGrath Associates, Inc., in New York City in 1968-1974.

She graduated from Richmond College (B.A., 1976) and Long Island University (M.P.A., 1977). She has three children and resides in Staten Island, N.Y. She was born March 7, 1937, in Brooklyn, N.Y.

Nomination of Donald Moncrief Muchmore To Be a Member of the National Museum Services Board

March 8, 1983

The President today announced his intention to nominate Donald Moncrief Muchmore to be a member of the National Museum Services Board of the Institute of Museum Services, National Foundation on the Arts and the Humanities, for a term expiring December 6, 1987. He would succeed George C. Seybolt.

Mr. Muchmore is executive director of the California Museum of Science and Industry, Exposition Park, Los Angeles, and executive vice president of the California

Museum Foundation. Previously he was senior vice president of the California Federal Savings and Loan Association. He has also served as chairman of the board of the Museum of the Sea aboard the Queen Mary in Long Beach and as president of the Western Museums Association.

Mr. Muchmore graduated from Occidental College (B.S., 1945). He has two children and resides in Long Beach, Calif. He was born December 26, 1922.

Proclamation 5029—Women's History Week, 1983

March 8, 1983

By the President of the United States of America

A Proclamation

Before the signing of the Declaration of Independence, Abigail Adams, wife of one President and mother of another, wrote a

prophetic letter to a delegate to the Continental Congress in Philadelphia. Its recipient was her husband, whom she admonished: "... in the new code of laws which I suppose it will be necessary for you to make I desire you would remember the ladies, and be more generous and favourable to

them than your ancestors . . . if particular care and attention is not paid to the ladies we are determined to foment a rebellion . . .”

However, until well into the second century after that letter was written, barriers existed for women in educational, business, and professional opportunities as well as in the law.

Today, American women of every ethnic origin, creed, and race play a vital role in our cultural, military, economic, social and political life. A woman serves as a Supreme Court Justice; there are women serving as university presidents, members of Congress, doctors, lawyers, astronauts, coal miners, corporate executives, members of the President's Cabinet, ranking military officers and leaders in civil rights, the diplomatic corps, cultural endeavors, private sector initiatives, truck drivers, and, very importantly, mothers and homemakers who continually strengthen the foundation of our country's greatness, the family.

During the past two hundred years, women have fought for the causes of abolition, health reform, elimination of child labor, temperance, voting rights, and improvement of industrial labor conditions. Their energy, persistence, and dedication to these causes have enlightened our Nation as to the needs of our society and frequently quickened our country's effort to effect positive change.

This memorable role of women in our Nation's history has been recorded in the

written word and has been told as well in music, on canvas, in stone, and through poetry, novels, and the dance. In recognizing the outstanding achievements of America's women, we pay homage to an essential part of our Nation's heritage.

By Senate Joint Resolution 37, the Congress of the United States has authorized and requested the President to proclaim the week which includes March 8, 1983, as "Women's History Week."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning March 6, 1983, as "Women's History Week." Recognizing that the many contributions of American women have at times been overlooked in the annals of American history, I encourage all citizens to observe this important week by participating in appropriate ceremonies and activities planned by individuals, governmental agencies, and private institutions and associations throughout the country.

In Witness Whereof, I have hereunto set my hand this 8th day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:16 a.m., March 9, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on March 9.

Statement on United States Defense Policy March 9, 1983

Our defense policy is based on a very simple premise: The United States will not start fights. We will not be the first to use aggression. We will not seek to occupy other lands or control other peoples. Our strategy is defensive; our aim is to protect the peace by ensuring that no adversaries ever conclude they could best us in a war of their own choosing.

What this means is that we design our defense program not to further ambitions, but to counter threats. Today, and for the foreseeable future, the greatest of these threats comes from the Soviet Union, the only nation with the military power to inflict mortal damage directly on the United States.

This also means that if the American

people are asked to support our defense program, they must get the straight facts about this threat. The Defense Department's first edition of "Soviet Military Power" gave them those facts; this revised edition will keep them up to date and will give them a new opportunity to compare Soviet forces with our own.

The facts in this book are straightforward. The Soviets have not slowed the pace of their enormous military buildup. In little over a year, they have begun testing new models in almost every class of nuclear weapons. They are dramatically expanding their navy and air force, are training and equipping their ground forces for preemptive attack, and are using their military power to extend their influence and enforce their will in every corner of the globe.

We must continue to demonstrate our resolve not to allow the military balance to tip

against the United States. By demonstrating that resolve, we will not only deter aggression but we will also offer the Soviets a real incentive to accept genuine, mutual arms reduction.

Let me quote a statement Winston Churchill made to the House of Commons in late 1934, as he urged the British to stop dismantling their defenses:

"To urge the preparation of defense is not to assert the imminence of war. I do not believe that war is imminent or that war is inevitable, but . . . that if we do not begin forthwith to put ourselves in a position of security, it will soon be beyond our power to do so."

A strong, credible American defense is indispensable to protecting the peace and preserving the free way of life our people cherish.

Remarks at the Swearing-In Ceremony for Margaret M. Heckler as Secretary of Health and Human Services

March 9, 1983

The Secretary. Mr. President, Mr. Vice President, Madam Justice, and my family:

Today, sharing in a very special moment, I say that the glory and honor of this moment belongs to the Lord who made it possible for me to be here and to experience it. And, indeed, the strength that I will call upon in fulfilling the oath that has just been expressed, again, will be His strength.

This is an exciting day for me, Mr. President, and for my family, especially so because on my first day as a new Member of Congress, two colleagues stood behind me and one said to the other, "How did this secretary get into the Congress?" And the other colleague said, "She was elected. She defeated Joseph Martin." And now I find that from being called a secretary that I will have the great honor in my life to be Madam Secretary, the Secretary of Health and Human Services.

Mr. President, I cannot express my gratitude to you and my desire to, indeed, symbolize the compassion and caring I know

you feel for the American people. In a sense, as a Member of Congress, I saw your prescription for America and, indeed, I could call you "Dr. Reagan," because I believe the medicine is working. Indeed, although we enjoy spring in Washington, in a sense we are enjoying as well the beginning of a harvest of the economic wisdom that you have so wisely shared with our government and with the American people.

But there are still people in need, and they will be my special concerns as Secretary of the people's department of the government. I want to say, Mr. President, that my loyalty to you is not exceeded by any other concern, but it will be expressed in loyalty to the people. In serving the people in the Congress for all these years, I will draw upon that congressional experience and will serve you and the Nation with that same spirit. I will do everything in my power to make you and the Nation proud that a woman has been nominated to head this important department. As awesome as

the task is, the resources of the good Lord and your own leadership are unlimited. I draw upon them and thank you for making this moment possible.

The President. Mr. Vice President, Justice O'Connor, today I'm pleased to say that we welcome aboard someone that I know will be a valuable member of this administration. Now, some have charged that Margaret Heckler was offered the job because this administration is partial to a certain ethnic group in our society—[laughter]—and that I want to keep their favor. [Speaking with an Irish brogue] Now, let me be telling you—that Margaret Heckler being an Irish colleen has nothing at all to do with this appointment. [Laughter]

Seriously, Margaret is the daughter of Irish immigrants, and her first ambition was to play the concert piano. Lucky for us she chose a political career instead, where she might add harmony in a much more difficult place to create it. [Laughter] And during the 16 years in Congress, Margaret had been known for her boundless energy, her enthusiasm, and she'll need it in the job

that she takes on as of today.

And, Margaret, as Secretary of Health and Human Services, I know that you'll oversee the Federal department with 142,000 employees and an annual budget of \$274 billion. Only two budgets in the world are greater than that—the entire budget of the United States Government and the budget of the Soviet Union. It's a tough job, and I'm happy that a hard-working, dedicated, and thoroughly decent individual has been named as Secretary of that awesome job. And I'm delighted and grateful that Margaret Heckler has accepted this responsibility.

So, welcome to the team, and good luck. And I say that with all my heart.

The Secretary. Thank you, Mr. President.

Note: Associate Justice Sandra Day O'Connor of the Supreme Court of the United States administered the oath of office to Secretary Heckler at 10:05 a.m. at the ceremony in the Oval Office at the White House. The remarks of the Secretary and the President followed the oath of office.

Message to the Congress Reporting Budget Deferrals March 9, 1983

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report one new deferral of budget authority totaling \$50,000,000 and one revision to a previously reported deferral, increasing the amount deferred by \$1,498,389.

The deferrals affect the Department of Energy and the Department of the Treasury.

The details of each deferral are contained in the attached reports.

RONALD REAGAN

The White House,
March 9, 1983.

Note: The attachments detailing the deferrals are printed in the Federal Register of March 16, 1983.

Statement on the Release of Enforcement-Sensitive Documents of the Environmental Protection Agency to the Congress *March 9, 1983*

As I have previously stated, I asserted executive privilege with respect to a limited number of EPA documents that were considered to be enforcement-sensitive, because I have a constitutional obligation to the people—and to those who have held this office in the past and will hold it in the future—to ensure that the integrity of sensitive law enforcement documents be preserved.

I have recognized also, of course, that the legislative branch has legitimate oversight responsibilities as well. Accordingly, in February, pursuant to the suggestion of the U.S. District Court and consistent with the mandates of history, we sought to work out an agreement to accommodate the legitimate interests of both the executive and legislative branches. This was accomplished by the agreement reached with Chairman Levitas on February 18, 1983, which provided a means for Congress to have complete access to the documents sought.

Although this was accepted as a reasonable compromise by Chairman Levitas and Speaker O'Neill, and we have been proceeding to provide such complete access,

other committees have demanded that the documents be physically turned over to them before they would accept the information. The debate on this issue, for our part, has been essentially legal. But it is now clear that prolonging this legal debate can only result in a slowing down of the release of information to the Congress—thereby fostering suspicion in the public's mind that somehow the important doctrine of executive privilege is being used to shield possible wrongdoing. It is not in the public interest that any such suspicion be fostered.

While we continue to assert executive privilege, our concern is that the Congress have this information as soon as possible, with assurances that the enforcement-sensitive materials will be provided the necessary protection in order that their premature public release will not jeopardize our responsibility to enforce the law. We trust that pursuant to the additional agreement reached today with Chairman Dingell, the documents will be provided that protection. This agreement will be available to any other committee that seeks these EPA documents and is willing to abide by its terms.

Letter Accepting the Resignation of Anne M. Burford as Administrator of the Environmental Protection Agency *March 9, 1983*

Dear Anne:

It is with deep regret that I am accepting your resignation as Administrator of the Environmental Protection Agency.

For the past two years, you have faithfully and honestly carried out your mission of helping this Nation cleanse its air and water and make wiser use of its lands. I am personally very grateful to you for the fine—and often courageous—service you have given, and I share your pride in the prog-

ress we have made during your stewardship at EPA.

Your resignation today is an occasion of sorrow for us all. But it is more than that: it is an act of unselfishness and personal courage that once again demonstrates your loyalty to the Nation.

Over the past several weeks, I have been greatly disappointed that some persons have unjustly attacked you and have made unfair judgments based upon allegations

and innuendo alone. You have responded with a grace and straightforwardness that have won you countless admirers across the Nation.

Anne, I join your many friends in saying: you can walk out of the Environmental Protection Agency with your head held high. You have served this Nation well, and I look forward to counting upon you serving as a member of my Administration in the days and years ahead.

Sincerely,

RONALD REAGAN

March 9, 1983

Dear Mr. President:

I hereby tender my resignation as Administrator of the United States Environmental Protection Agency effective immediately.

I do so with great regret, but it is now clear that my resignation is essential to termination of the controversy and confusion generated by the outstanding dispute over Congressional access to certain EPA documentary materials. Without an end to these unfortunate difficulties, EPA is disabled from implementing its mandate and you are distracted from pursuing the critical domestic and international goals of your administration.

I came to Washington to serve you, because I believe in you and the direction which you are setting for the country. I know of your strong commitment to the environmental goals of the people of the United States—the protection of their health, and welfare, cleaner air, cleaner water, the wise use of our land. I have endeavored to reach those goals through a four point program: better quality of science; regulatory reform; more authority and responsibility in state government; and to do a better job of protecting the environment with fewer taxpayer's resources.

I believe the policies are sound, and that during your administration the Agency has made significant progress in achieving these goals.

We have made an environmental record of which you can justly be proud.

We are, in this Administration, for the

first time, controlling the disposal of hazardous materials on America's land. We are, in this Administration, for the first time, cleaning up the by-products of a chemical revolution—the benefits of which we have all enjoyed for the last forty plus years.

We have developed guidelines which will diminish the discharge of toxics into our nation's waterways. We have begun, for the first time, to test and regulate newly developed chemicals as required by the Resource Conservation and Recovery Act in 1976. We have cleared out a backlog of state actions which were pending federal decision making for long periods of time. We have delegated to state government a large share of our duties. And, we have achieved a real reduction in our operating budget and a real reduction in our work force.

I strongly believe that the principal of executive privilege is essential to maintaining the constitutional balance of power, and I have been the staunch defender of that principal since last Fall when I exercised it for you, pursuant to your direction.

To paraphrase your words, Mr. President, I also strongly believe that the privilege should not be exercised in any manner which would erode the confidence of the public in its servant, the government.

It has been an unequaled honor for me to share in the great work of the Environmental Protection Agency and of your administration, to both of which I remain deeply committed.

I look forward to serving you in a new endeavor in the very near future and hope that this action will terminate the controversy and confusion that has crippled my agency and prevents my dedicated colleagues at the Environmental Protection Agency from doing their jobs.

Sincerely yours,

ANNE M. BURFORD

Note: The White House announced that Mrs. Burford submitted her resignation to the President during a meeting with him in the Residence.

As printed above, this item follows the text of the letters released by the Office of the Press Secretary.

Remarks on Central America and El Salvador at the Annual Meeting of the National Association of Manufacturers March 10, 1983

Thank you, Bernie, for your kind introduction, and all of you for your warm welcome. Madam Secretary and distinguished guests here at the head table and you ladies and gentlemen:

I'm delighted to be here. I know that you and your president, Sandy Trowbridge, and the entire NAM organization have been an enormous help during the last 2 years, not only with advice and counsel but with a roll-up-your-sleeves effort to help pass the economic recovery programs that are ending this recession. And with your assistance, we also were able to negotiate a bipartisan compromise solution to save our social security system.

You know, we didn't come to Washington at an ideal time—[laughter]—and we've certainly had our share of problems. But the signs of recovery are springing up all around us, and there's no mistaking the fact that at long last America is on the mend. And the courage and the vision of the people and institutions that are represented here today deserve a big share of the credit for this hard-earned but inflation-free recovery. So, on behalf of all your fellow citizens who've been freed from the ravages of runaway inflation and can look again to a future of better times and then new opportunity, I thank you.

America is meeting her challenge here at home. But there are other challenges, equally important, that we must face. And today, I'd like to talk to you about one of them.

Late last year, I visited Central America. Just a few weeks ago, our Ambassador, Jeane Kirkpatrick, also toured the area. And in the last few days, I have met with leaders of the Congress to discuss recent events in Central America and our policies in that troubled part of the world. So, today I'd like to report to you on these consultations and why they're important to all of us.

The nations of Central America are among our nearest neighbors. El Salvador, for example, is nearer to Texas than Texas

is to Massachusetts. Central America is simply too close, and the strategic stakes are too high, for us to ignore the danger of governments seizing power there with ideological and military ties to the Soviet Union.

Now, let me just show you how important Central America is. Here—[referring to a map]—and you can't see it from over there because I'm in the way—but here at the base of Central America is the Panama Canal. Half of all the foreign trade of the United States passes through either the canal—[laughter].¹ I've been dying to give you all an economic lesson, and you show up for geography. [Laughter and applause] But as I say, half of that trade passes either through the canal or the other Caribbean sealanes on its way to or from our ports.

And, of course, to the north, as you can see, is Mexico, a country of enormous human and material importance with which we share 1,800 miles of peaceful frontier.

And between Mexico and the canal lies Central America. As I speak to you today, its countries are in the midst of the gravest crisis in their history. Accumulated grievances and social and economic change are challenging traditional ways. New leaders with new aspirations have emerged who want a new and better deal for their peoples. And that is good.

The problem is that an aggressive minority has thrown in its lot with the Communists, looking to the Soviets and their own Cuban henchmen to help them pursue political change through violence. Nicaragua, right here, has become their base. And these extremists make no secret of their goal. They preach the doctrine of a "revolution without frontiers." Their first target is El Salvador.

Important? Well, to begin with, there's

¹ The laughter was a reaction of the audience to the rushing of photographers from one side of the podium to the other in order to photograph the President and the map.

the sheer human tragedy. Thousands of people have already died and, unless the conflict is ended democratically, millions more could be affected throughout the hemisphere. The people of El Salvador have proved they want democracy. But if guerrilla violence succeeds, they won't get it. El Salvador will join Cuba and Nicaragua as a base for spreading fresh violence to Guatemala, Honduras, Costa Rica—probably the most democratic country in the world today. The killing will increase and so will the threat to Panama, the canal and, ultimately, Mexico. In the process, vast numbers of men, women, and children will lose their homes, their countries, and their lives.

Make no mistake. We want the same thing the people of Central America want—an end to the killing. We want to see freedom preserved where it now exists and its rebirth where it does not. The Communist agenda, on the other hand, is to exploit human suffering in Central America to strike at the heart of the Western Hemisphere. By preventing reform and instilling their own brand of totalitarianism, they can threaten freedom and peace and weaken our national security.

I know a good many people wonder why we should care about whether Communist governments come into power in Nicaragua, El Salvador, or other such countries as Costa Rica and Honduras, Guatemala, and the islands of the Caribbean. One columnist argued last week that we shouldn't care, because their products are not that vital to our economy. That's like the argument of another so-called expert that we shouldn't worry about Castro's control over the island of Grenada—their only important product is nutmeg.

Well, let me just interject right here. Grenada, that tiny little island—with Cuba at the west end of the Caribbean, Grenada at the east end—that tiny little island is building now, or having built for it, on its soil and shores, a naval base, a superior air base, storage bases and facilities for the storage of munitions, barracks, and training grounds for the military. I'm sure all of that is simply to encourage the export of nutmeg.

People who make these arguments haven't taken a good look at a map lately or followed the extraordinary buildup of Soviet

and Cuban military power in the region or read the Soviets' discussions about why the region is important to them and how they intend to use it.

It isn't nutmeg that's at stake in the Caribbean and Central America; it is the United States national security.

Soviet military theorists want to destroy our capacity to resupply Western Europe in case of an emergency. They want to tie down our attention and forces on our own southern border and so limit our capacity to act in more distant places, such as Europe, the Persian Gulf, the Indian Ocean, the Sea of Japan.

Those Soviet theorists noticed what we failed to notice: that the Caribbean Sea and Central America constitute this nation's fourth border. If we must defend ourselves against large, hostile military presence on our border, our freedom to act elsewhere to help others and to protect strategically vital sealanes and resources has been drastically diminished. They know this; they've written about this.

We've been slow to understand that the defense of the Caribbean and Central America against Marxist-Leninist takeover is vital to our national security in ways we're not accustomed to thinking about.

For the past 3 years, under two Presidents, the United States has been engaged in an effort to stop the advance of communism in Central America by doing what we do best—by supporting democracy. For 3 years, our goal has been to support fundamental change in this region, to replace poverty with development and dictatorship with democracy.

These objectives are not easy to obtain. We're on the right track. Costa Rica continues to set a democratic example, even in the midst of economic crises and Nicaraguan intimidation. Honduras has gone from military rule to a freely elected civilian government. Despite incredible obstacles, the democratic center is holding in El Salvador, implementing land reform and working to replace the politics of death with a life of democracy.

So, the good news is that our new policies have begun to work. Democracy, with free elections, free labor unions, freedom of reli-

gion and respect for the integrity of the individual, is the clear choice of the overwhelming majority of Central Americans. In fact, except for Cuba and its followers, no government and no significant sector of the public anywhere in this hemisphere wants to see the guerrillas seize power in El Salvador.

The bad news is that the struggle for democracy is still far from over. Despite their success in largely eliminating guerrilla political influence in populated areas, and despite some improvements in military armaments and mobility, El Salvador's people remain under strong pressure from armed guerrillas controlled by extremists with Cuban-Soviet support.

The military capability of these guerrillas—and I would like to stress *military* capability, for these are not peasant irregulars; they are trained, military forces. This has kept political and economic progress from being turned into the peace the Salvadoran people so obviously want.

Part of the trouble is internal to El Salvador, but an important part is external—the availability of training, tactical guidance, and military supplies coming into El Salvador from Marxist Nicaragua. I'm sure you've read about the guerrillas capturing rifles from government national guard units. And recently, this has happened. But much more critical to guerrilla operations are the supplies and munitions that are infiltrated into El Salvador by land, sea, and air—by pack mules, by small boats, and by small aircraft.

These pipelines fuel the guerrilla offensives and keep alive the conviction of their extremist leaders that power will ultimately come from the barrels of their guns. Now, all this is happening in El Salvador just as a constitution is being written, as open Presidential elections are being prepared, and as a peace commission—named last week—has begun to work on amnesty and national reconciliation to bring all social and political groups into the democratic process.

It is the guerrilla militants who have so far refused to use democratic means, have ignored the voice of the people of El Salvador, and have resorted to terror, sabotage, and bullets, instead of the ballot box.

During the past week, we've discussed all

of these issues and more with leaders and Members of the Congress. Their views have helped shape our own thinking. And I believe that we've developed a common course to follow.

Now, here are some of the questions that are raised most often.

First, how bad is the military situation? It is not good. Salvadoran soldiers have proved that when they're well trained, led, and supplied, they can protect the people from guerrilla attacks. But so far, U.S. trainers have been able to train only one soldier in ten. There's a shortage of experienced officers. Supplies are unsure. The guerrillas have taken advantage of these shortcomings. For the moment, at least, they have taken the tactical initiative just when the sharply limited funding Congress has so far approved is running out.

A second vital question is: Are we going to send American soldiers into combat? And the answer to that is a flat no.

A third question: Are we going to Americanize the war with a lot of U.S. combat advisers? And again, the answer is no.

Only Salvadorans can fight this war, just as only Salvadorans can decide El Salvador's future. What we can do is help to give them the skills and supplies they need to do the job for themselves. That, mostly, means training. Without playing a combat role themselves and without accompanying Salvadoran units into combat, American specialists can help the Salvadoran Army improve its operations.

Over the last year, despite manifest needs for more training, we have scrupulously kept our training activities well below our self-imposed numerical limit on numbers of trainers. We're currently reviewing what we can do to provide the most effective training possible, to determine the minimum level of trainers needed, and where the training should best take place. We think the best way is to provide training outside of El Salvador, in the United States or elsewhere, but that costs a lot more. So, the number of U.S. trainers in El Salvador will depend upon the resources available.

Question four: Are we seeking a political or a military solution? Well, despite all I and others have said, some people still seem

to think that our concern for security assistance means that all we care about is a military solution. That's nonsense. Bullets are no answer to economic inequities, social tensions, or political disagreements. Democracy is what we want, and what we want is to enable Salvadorans to stop the killing and sabotage so that economic and political reforms can take root. The real solution can only be a political one.

Now, this reality leads directly to a fifth question: Why not stop the killings and start talking? Why not negotiate? Well, negotiations are already a key part of our policy. We support negotiations among all the nations of the region to strengthen democracy, to halt subversion, to stop the flow of arms, to respect borders, and to remove all the foreign military advisers—the Soviets, the Cubans, the East Germans, the PLO, as well as our own from the region.

A regional peace initiative is now emerging. We've been in close touch with its sponsors and wish it well. And we support negotiations within nations aimed at expanding participation in democratic institutions, at getting all parties to participate in free and nonviolent elections.

What we oppose are negotiations that would be used as a cynical device for dividing up power behind the people's back. We cannot support negotiations which, instead of expanding democracy, try to destroy it; negotiations which would simply distribute power among armed groups without the consent of the people of El Salvador.

We made that mistake some years ago—in Laos—when we pressed and pressured the Laotian Government to form a government, a co-op, with the Pathet Lao, the armed guerrillas who'd been doing what the guerrillas are doing in El Salvador. And once they had that tripartite government, they didn't rest until those guerrillas, the Pathet Lao, had seized total control of the Government of Laos.

The thousands of Salvadorans who risked their lives to vote last year should not have their ballots thrown into the trash heap this year by letting a tiny minority on the fringe of a wide and diverse political spectrum shoot its way into power. No, the only legitimate road to power, the only road we can support, is through the voting booth, so

that the people can choose for themselves; choose, as His Holiness the Pope said Sunday, "far from terror and in a climate of democratic conviviality." This is fundamental, and it is a moral as well as a practical belief that all free people of the Americas share.

Having consulted with the Congress, let me tell you where we are now and what we'll be doing in the days ahead. We welcome all the help we can get. We will be submitting a comprehensive, integrated economic and military assistance plan for Central America.

First, we will bridge the existing gap in military assistance. Our projections of the amount of military assistance needed for El Salvador have remained relatively stable over the past 2 years. However, the continuing resolution budget procedure in the Congress last December led to a level of U.S. security assistance for El Salvador in 1983 below what we'd requested, below that provided in 1982, and below that requested for 1984. I'm proposing that \$60 million of the moneys already appropriated for our worldwide military assistance programs be immediately reallocated to El Salvador.

Further, to build the kind of disciplined, skilled army that can take and hold the initiative while respecting the rights of its people, I will be amending my supplemental that is currently before the Congress to reallocate \$50 million to El Salvador. And these funds will be sought without increasing the overall amount of the supplemental that we have already presented to the Congress. And, as I've said, the focus of this assistance will remain the same—to train Salvadorans so that they can defend themselves.

Because El Salvador's problems are not unique in this region, I will also be asking for an additional \$20 million for regional security assistance. These funds will be used to help neighboring states to maintain their national security and will, of course, be subject to full congressional review.

Secondly, we will work hard to support reform, human rights, and democracy in El Salvador. Last Thursday, the Salvadoran Government extended the land reform pro-

gram which has already distributed 20 percent of all the arable land in the country and transformed more than 65,000 farm workers into farm owners. What they ask is our continued economic support while the reform is completed. And we will provide it. With our support, we expect that the steady progress toward more equitable distribution of wealth and power in El Salvador will continue.

And third, we will, I repeat, continue to work for human rights. Progress in this area has been slow, sometimes disappointing. But human rights means working at problems, not walking away from them. To make more progress, we must continue our support, advice, and help to El Salvador's people and democratic leaders. Law-breakers must be brought to justice, and the rule of law must supplant violence in settling disputes. The key to ending violations to human rights is to build a stable, working democracy. Democracies are accountable to their citizens, and when abuses occur in a democracy, they cannot be covered up. With our support, we expect the Government of El Salvador to be able to move ahead in prosecuting the accused and in building a criminal justice system applicable to all and, ultimately, accountable to the elected representatives of the people.

And I hope you've noticed that I was speaking in millions, not billions. And that, after 2 years in Federal office, is hard to do. [Laughter] In fact, there are some areas of government where I think they spill as much as I've talked about here over a weekend.

Fourth, the El Salvador Government proposes to solve its problems the only way they can be solved fairly—by having the people decide. President Magaña had just announced nationwide elections moved up to this year, calling on all to participate, adversaries as well as friends. To help political adversaries participate in the elections, he has appointed a Peace Commission, including a Roman Catholic bishop and two independents. And he has called on the Organization of American States and the international community to help. We were proud to participate, along with representatives of other democratic nations, as observers in last March's constituent assembly

elections. We would be equally pleased to contribute again to an international effort, perhaps in conjunction with the Organization of American States, to help the government ensure the broadest possible participation in the upcoming elections, with guarantees that all, including critics and adversaries, can be protected as they participate.

Let me just say a word about those elections last March. A great worldwide propaganda campaign had, for more than a year, portrayed the guerrillas as somehow representative of the people of El Salvador. We were told over and over again that the government was the oppressor of the people. Came the elections, and suddenly it was the guerrilla force threatening death to any who would attempt to vote. More than 200 buses and trucks were attacked and burned and bombed in an effort to keep the people from going to the polls. But they went to the polls; they walked miles to do so. They stood in long lines for hours and hours. Our own congressional observers came back and reported of one incident that they saw themselves—of a woman who had been shot by the guerrillas for trying to get to the polls, standing in the line, refusing medical attention until she had had her opportunity to go in and vote.

More than 80 percent of the electorate voted. I don't believe here in our land, where voting is so easy, that we've had a turnout that great in the last half century. They elected the present government, and they voted for order, peace, and democratic rule.

Finally, we must continue to help the people of El Salvador and the rest of Central America and the Caribbean to make economic progress. More than three-quarters of our assistance to this region has been economic. Because of the importance of economic development to that region, I will ask the Congress for \$65 million in new moneys and the reprogramming of \$103 million from already appropriated worldwide funds, for a total of \$168 million in increased economic assistance for Central America. And to make sure that this assistance is as productive as possible, I'll continue to work with the Congress for the urgent enactment of the long-term opportu-

nities for trade and free initiative that are contained in the Caribbean Basin Initiative.

In El Salvador and in the rest of Central America, there are today thousands of small businessmen, farmers, and workers who have kept up their productivity as well as their spirits in the face of personal danger, guerrilla sabotage, and adverse economic conditions. With them stand countless national and local officials, military and civic leaders, and priests, who have refused to give up on democracy. Their struggle for a better future deserves our help. We should be proud to offer it. For in the last analysis, they're fighting for us, too.

By acting responsibly and avoiding illusory shortcuts, we can be both loyal to our friends and true to our peaceful democratic principles. A nation's character is measured by the relations it has with its neighbors. We need strong, stable neighbors with whom we can cooperate. And we will not let them down. Our neighbors are risking life and limb to better their lives, to improve their lands, and to build democracy. All they ask is our help and understanding as they face dangerous armed enemies of liberty and that our help be as sustained as their own commitment.

Now, none of this will work if we tire or falter in our support. I don't think that's what the American people want or what our traditions and faith require. Our neighbors struggle for a better future, and that struggle deserves our help and we should be proud to offer it.

We would, in truth, be opening a two-way street. We have never, I believe, fully realized the great potential of this Western Hemisphere. Oh, yes, I know in the past we've talked of plans. We've gone down there every once in a while with a great plan, somehow, for our neighbors to the south. But it was always a plan in which we, the big colossus of the north would impose on them. It was our idea.

Well, on my trip to Central and South

America, I asked for their ideas. I pointed out that we had a common heritage. We'd all come as pioneers to these two great continents. We worship the same God. And we'd lived at peace with each other longer than most people in other parts of the world. There are more than 600 million of us calling ourselves Americans—North, Central, and South. We haven't really begun to tap the vast resources of these two great continents.

Without sacrificing our national sovereignties, our own individual cultures or national pride, we could, as neighbors, make this Western Hemisphere, our hemisphere, a force for good such as the Old World has never seen. But it starts with the word "neighbor." And that is what I talked about down there and sought their partnership, their equal partnership in we of the Western Hemisphere coming together to truly develop, fully, the potential this hemisphere has.

Last Sunday, His Holiness Pope John Paul II prayed that the measures announced by President Magaña would "contribute to orderly and peaceful progress" in El Salvador, progress "founded on the respect," he said, "for the rights of all, and that all have the possibility to cooperate in a climate of true democracy for the promotion of the common good."

My fellow Americans, we in the United States join in that prayer for democracy and peace in El Salvador, and we pledge our moral and material support to help the Salvadoran people achieve a more just and peaceful future. And in doing so, we stand true to both the highest values of our free society and our own vital interests.

Thank you, and God bless you.

Note: The President spoke at 12 noon in the International Ballroom at the Washington Hilton Hotel after an introduction by Bernard J. O'Keefe, chairman of the National Association of Manufacturers.

Statement on House of Representatives Approval of Social Security Legislation

March 10, 1983

I want to take this opportunity to express my admiration—and the gratitude of the American people—for the responsible, bipartisan spirit the House of Representatives has demonstrated in its prompt passage of the bipartisan plan to save the social security system. I am particularly glad to have had the chance this afternoon to personally thank six leaders who played special roles in making this possible: Speaker of the House Tip O'Neill, Minority Leader Bob Michel, Ways and Means Chairman Dan Rostenkowski, the senior minority member of the committee, Barber Conable, Chairman Jake Pickle of the Subcommittee on Social Security, and, of course, Representative Claude Pepper.

In the months leading up to this critical vote—and again over the past 24 hours—we've seen men and women of both parties and many shades of opinion set aside their differences and join together for the good of the country. The result has been a new lease on life for one of our most basic government programs, social security—a pro-

gram that, directly or indirectly, affects the present and future well-being of every man, woman, and child in America, and generations yet unborn.

Over long months of study, debate, and deliberation—and in close cooperation with the executive branch—a fair, workable plan to save the system was hammered out by the National Commission on Social Security Reform. All of us had to make some compromises and settle for less than what any one faction might consider ideal. But we did it, and, as Speaker O'Neill promised, the House of Representatives has acted promptly and responsibly to pass the resulting bipartisan plan.

That is an achievement we can all take heart from. And I hope and believe it reflects a bipartisan spirit of putting people before party that will guide us all in meeting other national challenges in the days ahead.

Meanwhile, I look forward to prompt action in the Senate on the social security plan—and I look forward to a signing ceremony in the very near future.

Statement on United States Oceans Policy

March 10, 1983

The United States has long been a leader in developing customary and conventional law of the sea. Our objectives have consistently been to provide a legal order that will, among other things, facilitate peaceful, international uses of the oceans and provide for equitable and effective management and conservation of marine resources. The United States also recognizes that all nations have an interest in these issues.

Last July, I announced that the United States will not sign the United Nations Law of the Sea Convention that was opened for signature on December 10. We have taken this step because several major problems in

the Convention's deep seabed mining provisions are contrary to the interests and principles of industrialized nations and would not help attain the aspirations of developing countries.

The United States does not stand alone in those concerns. Some important allies and friends have not signed the convention. Even some signatory states have raised concerns about these problems.

However, the convention also contains provisions with respect to traditional uses of the oceans which generally confirm existing maritime law and practice and fairly balance the interests of all states.

Today I am announcing three decisions to promote and protect the oceans interests of the United States in a manner consistent with those fair and balanced results in the Convention and international law.

First, the United States is prepared to accept and act in accordance with the balance of interests relating to traditional uses of the oceans—such as navigation and overflight. In this respect, the United States will recognize the rights of other states in the waters off their coasts, as reflected in the Convention, so long as the rights and freedoms of the United States and others under international law are recognized by such coastal states.

Second, the United States will exercise and assert its navigation and overflight rights and freedoms on a worldwide basis in a manner that is consistent with the balance of interests reflected in the convention. The United States will not, however, acquiesce in unilateral acts of other states designed to restrict the rights and freedoms of the international community in navigation and overflight and other related high seas uses.

Third, I am proclaiming today an Exclusive Economic Zone in which the United States will exercise sovereign rights in living and nonliving resources within 200 nautical miles of its coast. This will provide United States jurisdiction for mineral resources out to 200 nautical miles that are not on the continental shelf. Recently discovered deposits there could be an important future source of strategic minerals.

Within this Zone all nations will continue to enjoy the high seas rights and freedoms that are not resource related, including the freedoms of navigation and overflight. My proclamation does not change existing United States policies concerning the continental shelf, marine mammals, and fisheries, including highly migratory species of tuna which are not subject to United States jurisdiction. The United States will continue efforts to achieve international agreements for the effective management of these spe-

cies. The proclamation also reinforces this government's policy of promoting the United States fishing industry.

While international law provides for a right of jurisdiction over marine scientific research within such a zone, the proclamation does not assert this right. I have elected not to do so because of the United States interest in encouraging marine scientific research and avoiding any unnecessary burdens. The United States will nevertheless recognize the right of other coastal states to exercise jurisdiction over marine scientific research within 200 nautical miles of their coasts, if that jurisdiction is exercised reasonably in a manner consistent with international law.

The Exclusive Economic Zone established today will also enable the United States to take limited additional steps to protect the marine environment. In this connection, the United States will continue to work through the International Maritime Organization and other appropriate international organizations to develop uniform international measures for the protection of the marine environment while imposing no unreasonable burdens on commercial shipping.

The policy decisions I am announcing today will not affect the application of existing United States law concerning the high seas or existing authorities of any United States Government agency.

In addition to the above policy steps, the United States will continue to work with other countries to develop a regime, free of unnecessary political and economic restraints, for mining deep seabed minerals beyond national jurisdiction. Deep seabed mining remains a lawful exercise of the freedom of the high seas open to all nations. The United States will continue to allow its firms to explore for and, when the market permits, exploit these resources.

The administration looks forward to working with the Congress on legislation to implement these new policies.

Proclamation 5030—Exclusive Economic Zone of the United States of America

March 10, 1983

By the President of the United States of America

A Proclamation

Whereas the Government of the United States of America desires to facilitate the wise development and use of the oceans consistent with international law;

Whereas international law recognizes that, in a zone beyond its territory and adjacent to its territorial sea, known as the Exclusive Economic Zone, a coastal State may assert certain sovereign rights over natural resources and related jurisdiction; and

Whereas the establishment of an Exclusive Economic Zone by the United States will advance the development of ocean resources and promote the protection of the marine environment, while not affecting other lawful uses of the zone, including the freedoms of navigation and overflight, by other States;

Now, Therefore, I, Ronald Reagan, by the authority vested in me as President by the Constitution and laws of the United States of America, do hereby proclaim the sovereign rights and jurisdiction of the United States of America and confirm also the rights and freedoms of all States within an Exclusive Economic Zone, as described herein.

The Exclusive Economic Zone of the United States is a zone contiguous to the territorial sea, including zones contiguous to the territorial sea of the United States, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands (to the extent consistent with the Covenant and the United Nations Trusteeship Agreement), and United States overseas territories and possessions. The Exclusive Economic Zone extends to a distance 200 nautical miles from the baseline from which the breadth of the territorial sea is measured. In cases where the maritime boundary with a neighboring State remains to be determined, the boundary of the Exclusive Economic Zone shall be determined by the

United States and other State concerned in accordance with equitable principles.

Within the Exclusive Economic Zone, the United States has, to the extent permitted by international law, (a) sovereign rights for the purpose of exploring, exploiting, conserving and managing natural resources, both living and non-living, of the seabed and subsoil and the superjacent waters and with regard to other activities for the economic exploitation and exploration of the zone, such as the production of energy from the water, currents and winds; and (b) jurisdiction with regard to the establishment and use of artificial islands, and installations and structures having economic purposes, and the protection and preservation of the marine environment.

This Proclamation does not change existing United States policies concerning the continental shelf, marine mammals and fisheries, including highly migratory species of tuna which are not subject to United States jurisdiction and require international agreements for effective management.

The United States will exercise these sovereign rights and jurisdiction in accordance with the rules of international law.

Without prejudice to the sovereign rights and jurisdiction of the United States, the Exclusive Economic Zone remains an area beyond the territory and territorial sea of the United States in which all States enjoy the high seas freedoms of navigation, overflight, the laying of submarine cables and pipelines, and other internationally lawful uses of the sea.

In Witness Whereof, I have hereunto set my hand this tenth day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:20 a.m., March 11, 1983]

Message to the Congress Transmitting Proposed Employment Legislation

March 11, 1983

To the Congress of the United States:

Two years ago when I took office, the U.S. economy was suffering from back-to-back years of double digit inflation; interest rates exceeded 20 percent. The Economic Recovery Program which we put in place—slowing the rate of growth of Federal spending, reducing the Federal tax burden, eliminating unnecessary regulations, and supporting a stable and moderate growth in the money supply—has cleared the way for recovery and laid the foundation for a period of sustained, noninflationary economic growth. Unfortunately, every economy which has successfully made this transition has experienced a period of increased unemployment. Because the 1981–82 recession, closely following the 1980 recession, was longer and deeper than anyone in or out of government had predicted, it sent the unemployment rate to painfully high levels.

In January over 11 million American men and women who were seeking work could not find jobs. Nearly 60 percent of the unemployed had lost their previous jobs and were either looking for new ones or waiting for recall by their previous employers. Nearly 2 million of the unemployed were teenagers most of whom were looking for their first job or struggling with the difficult transition from school to work. Unemployment is particularly painful to the long-term unemployed. About 40 percent of those now out of work have been unemployed for more than 14 weeks and nearly one-fourth have been unemployed for 6 months or longer.

Reducing unemployment without reigniting the fires of inflation is the most significant domestic challenge we face. In designing policies to reduce unemployment, we must first have a clear understanding of its dimensions and its underlying causes.

There are two primary types of unemployment: cyclical unemployment and structural unemployment. Cyclical unemployment results from downturns in busi-

ness conditions. As the general level of business activity declines, employers reduce their demand for workers, and unemployment increases; as the economy picks up, cyclical unemployment automatically goes down. Structural unemployment, on the other hand, is largely unaffected by swings in business conditions. It can result from the continuous change in a dynamic economy where some industries are declining while others are expanding; from a mismatch of skills needed for available jobs versus the skills in the available work force; from barriers to labor market entry; and from increases in the proportion of the population looking for work. Thus, structural unemployment will remain a problem even after the economy has fully recovered.

CYCLICAL UNEMPLOYMENT

The present period of economic stagnation began in January 1980 when the economy went into a brief recession. The recovery that followed later that year was anemic, especially in construction and in many of our basic manufacturing industries. By mid-1981, the short upturn in economic activity could not be maintained, and the economy entered the current recession.

In December 1979, before the present period of stagnation, 6.4 million people were unemployed. Today, 11.4 million Americans are out of work. The back-to-back recessions have caused most of the 5 million increase in unemployment since 1979.

A major part of our current unemployment problem is the result of economic stagnation. The single most effective long-term cure for much of our unemployment problem is to get the economy moving again. There is every reason to believe that we are now on the road to economic recovery. Construction activity, which has significantly contributed to past recoveries, has shown marked improvement in recent months. Industrial production is up for two months in succession. Automobile sales and

new orders for manufacturing goods have also increased. Not least, the unemployment rate, normally a lagging indicator, has finally begun to moderate. The economic assumptions in my budget, which many have characterized as very cautious, project an increase of nearly 5 million additional jobs by the end of 1984. I am confident we can accomplish this without reigniting inflation.

STRUCTURAL UNEMPLOYMENT

Even after the economy has fully recovered, however, we will still face the challenge of structural unemployment. Government can play an important role in assisting three groups of structurally unemployed workers: the long-term unemployed, displaced workers, and youth.

We can help the long-term unemployed by providing needed financial assistance and offering new incentives to employers to hire and train them.

We can help our displaced workers obtain the training needed to make the transition from declining to growth industries.

And we can help our young people by removing impediments that prevent them from gaining the initial skills they need for a lifetime of productive work.

Only by moving forward on all these fronts can we successfully meet the challenge of structural unemployment. The Employment Act of 1983, which I am sending the Congress today, contains a balanced and comprehensive set of programs to help the long-term unemployed, displaced workers, and youth secure productive jobs in our economy.

Assisting the Long-Term Unemployed

EXTENDING FEDERAL SUPPLEMENTAL COMPENSATION

Many of the long-term unemployed will continue to face economic hardship during the coming months. Last year I signed legislation to assist them during this difficult period. In my State of the Union Address, I said I would propose the extension and modification of the temporary Federal Supplemental Compensation (FSC) program, which is scheduled to terminate March 31, 1983.

The program I am proposing provides additional unemployment compensation until

the end of the current fiscal year to aid those individuals who have exhausted their unemployment insurance benefits and who have demonstrated workforce attachment and have lost their jobs through no fault of their own.

Our proposed extension will also eliminate the unnecessary complexity in the current program while continuing to provide the longest benefit durations in those states with the most severe unemployment problems.

This FSC program should help those who most deserve assistance. Our proposal will ensure this by changing the workforce attachment requirement and excluding voluntary job quitters. This approach is both fair and fiscally responsible.

INDUCING MORE EMPLOYMENT THROUGH JOB VOUCHERS

While unemployment compensation reduces the hardship of being out of work, it does not help the unemployed to find work. We must adopt programs that will help the long-term unemployed secure jobs by providing incentives for businesses to hire them. Therefore, I propose supplementing the extension of FSC with a new job voucher to help the long-term unemployed obtain productive jobs. Under this new program, a worker eligible for FSC will be allowed to convert his or her unemployment benefits into vouchers that would entitle a new employer who hires the individual to receive a tax credit.

The job voucher program will have much broader coverage than existing employment tax credit programs, such as the targeted jobs tax credit. An employer will be able to use the voucher to offset state or Federal unemployment insurance taxes or Federal income tax liabilities. This new incentive to hire the long-term unemployed will extend to all private sector employers including nonprofit institutions. Of course, individual state unemployment trust funds will be reimbursed from Federal general revenues so as not to penalize the states. The employer hiring incentive would last for one year after March 31, 1983, six months beyond the termination date of FSC on October 1, 1983.

Extending FSC and establishing the job voucher program have the advantage that they can be enacted swiftly through Federal legislation. Unlike other elements of the unemployment insurance program, the states would not have to change their legislation. These proposals constitute a cost effective, fair, and efficient program to help those most in need and help them immediately.

ENTERPRISE ZONES TO INCREASE EMPLOYMENT IN DISTRESSED INNER CITIES AND RURAL TOWNS

I have also proposed the creation of enterprise zones in inner cities and in rural towns. Through Federal, State, and local tax and regulatory relief, and strong neighborhood and local participation, enterprise zones will offer a significant economic incentive to businesses, large and small, looking for opportunities to expand or revitalize their operations. Several provisions in the proposed legislation provide direct benefits and incentives to employers to hire, train, and promote disadvantaged workers, and the long-term unemployed. The increase in economic activity in these zones will offer new job opportunities for individuals and stimulate a revival in distressed local economies.

Assisting Displaced Workers

Displaced workers are a second group suffering structural unemployment. Our economy is currently undergoing extensive changes due to international developments, technological advances, and environmental needs. Many of these changes will help increase our productivity and improve our standard of living. But they also mean that many workers must face significant adjustments as some plants close and individual production lines are idled. While we as a nation must revitalize our industrial base to meet the economic challenges of the 1980s and beyond, we must also vigorously pursue labor market policies which ensure that our experienced workforce has the skills to match the needs of our expanding industries. Sustained economic growth and a rising standard of living can only be fully realized if our labor force receives the necessary training and if it is sufficiently mobile

geographically and occupationally.

The Congressional Budget Office estimates that about 15 percent of those currently unemployed are displaced workers, defined as people who have lost their jobs from either declining industries or declining occupations. Of those from declining industries, nearly half are from automobiles, fabricated metals, primary metals, and wearing apparel; more than 60 percent reside in the northeast and midwest. Of those displaced from declining occupations, three-quarters are semi-skilled operatives and laborers.

Achieving enhanced employment security for our experienced work force is a shared responsibility. No single level of government or single segment of society has exclusive responsibility. All have significant roles.

Our proposals to the Congress:

- Constitute a meaningful assistance policy for displaced workers;
- Are consistent with the principle of shared responsibility; and
- Utilize existing government institutions and service delivery mechanisms.

THE JOB TRAINING PARTNERSHIP ACT

On October 13, 1982, I signed into law the Job Training Partnership Act (JTPA). Title III of the Act provides for a state administered training and placement assistance program for displaced workers.

The JTPA establishes a partnership among business, labor, and elected officials at the state and local levels. Through this partnership, the private sector, in cooperation with elected officials, will play a decisive role in planning and implementing programs to assure that training is responsive to the job needs of business and industry.

I am requesting an appropriation for Title III of the JTPA of \$240 million for fiscal year 1984. This represents an almost ten-fold increase over fiscal year 1983 funding. When combined with non-Federal matching funds, this appropriation will support much needed training and placement assistance for 110,000 displaced workers.

USING UNEMPLOYMENT INSURANCE FOR REEMPLOYMENT ASSISTANCE

Since 1935, our unemployment insurance program has served the nation well in providing temporary financial assistance for unemployed workers. But, while income maintenance helps cushion the financial strain of unemployment, it does not directly assist people in finding jobs. I believe we can modify the Unemployment Insurance (UI) system to improve the occupational and geographic mobility of permanently displaced workers without violating the integrity and insurance nature of the system.

Recognizing the unique Federal-State structure of the system and that many different adjustment assistance policies may prove effective, the bill I am sending to the Congress would amend the Federal Unemployment Tax Act to allow states the flexibility to use up to 2 percent of state unemployment insurance tax revenues to pay for training, job search, and relocation assistance.

These two reemployment assistance programs can help our displaced working men and women acquire the skills they need to adjust to the changes in a dynamic economy.

Assisting Youth

Young people are a third group suffering from structural unemployment. Unemployment among youth constitutes over 30 percent of our overall unemployment. The rate among the 16–21 age group is an unacceptable 23 percent, over twice the national average, and among minority youth, the unemployment rate of 44 percent represents the single most important social labor market problem.

The consequences of youth unemployment are different from those of adult unemployment. Among adults, unemployment is primarily a matter of financial loss and temporary economic hardship. Most of our nation's youth, on the other hand, live in families in which they are the second or third breadwinner. Unemployment among the majority of youth, therefore, does not usually create severe financial hardship. In 1981, the annual income of families with unemployed youth averaged almost

\$25,000.

Prolonged periods of unemployment among many youths, however, often lead to serious long-term consequences. First, sustained unemployment can tempt some to channel their energies and ambitions into antisocial or criminal activities. Second, long-term unemployment undermines a young person's potential for success. Recent studies show that those who have prolonged unemployment during their formative years also have less stable employment and diminished earning capacity during their adult years.

Prolonged unemployment among youth is partially due to a lack of initial labor market skills. The problem of skill deficiencies is exacerbated by a lack of career-oriented job opportunities. To combat the problem of skill deficiencies, the Administration worked with Congress to enact the landmark Job Training Partnership Act (JTPA) of 1982. Under the Act, in FY 1984, \$724 million in resources are targeted at economically disadvantaged youth in need of training. These resources will provide young people with a fresh chance to develop fully their potential for a productive career.

As a second step toward improving the job skills of our nation's youth, the Administration worked with Congress to extend the Targeted Jobs Tax Credit (TJTC) Program. As part of the extension, the program was modified to target resources more tightly on economically disadvantaged youth. The tax credits provided by the program will encourage employers to aid in the process of developing the skills of many of our young people.

Enactment of enterprise zone legislation would be a third step in this process of improving employment opportunities for youth, particularly disadvantaged youth in our inner cities and rural areas. However, the problem of youth unemployment is too large and too severe for the Federal government alone to provide the sole remedy. The private sector must also help open up career-oriented job opportunities.

One of the most important causes of the lack of career-oriented jobs in which young people can start their careers is the mini-

imum wage. When many young people first enter the labor market their job skills are well below those of older, experienced workers. In a free market, unhampered by government restrictions, young people could compensate for their relative lack of experience and skills by offering to work for a lower wage. Then, as they gain experience on the job, their growing skills would make them more valuable to employers and they would progress up the pay scale. The minimum wage destroys this opportunity: young people are prevented from offering their services at less than a government mandated wage. Faced with the prospect of hiring an unskilled youth at a wage in excess of the current value of his labor, many firms not surprisingly turn young people away. Unable to get an initial job, many young workers never learn the job skills that are needed to earn more than the minimum wage.

Evidence of the effects of the minimum wage is abundant. For nearly a century and a half, this nation experienced no significant youth unemployment problem. Then, just after the turn of the century, state legislatures began enacting minimum wage laws. At first, these mandated wages were not far from market wages and there was little impact. In 1938, however, the Federal government imposed a Federal minimum wage applicable to firms engaged in interstate commerce. Initially this meant that the Federal minimum wage was largely confined to manufacturing. The Federal minimum wage contributed to declining youth employment in manufacturing. But other industries such as retail trade and the service sector still provided an outlet for the energies of youth who wished to work.

During the 1960s and 1970s the minimum wage was increased and its coverage was expanded. At the same time, the youth unemployment problem continued to worsen, especially among minorities.

YOUTH EMPLOYMENT OPPORTUNITY WAGE

To help those young people who want to work find jobs, I am proposing a youth employment opportunity wage for youngsters under the age of 22. This youth opportunity wage will be \$2.50 per hour, 25 percent below the regular minimum wage of \$3.35

per hour. Young people will not, of course, be forced to accept the lower wage, and many will receive more than \$2.50 an hour. But all will have the opportunity to offer their services at \$2.50 if lack of job skills or other factors make this appropriate.

I am not the first to propose a youth differential minimum wage; indeed, the government more than once has come close to implementing such a proposal. Each time it failed, however, due to concerns that adults would be displaced by younger workers. I am unconvinced by such arguments but I appreciate the concern behind them. Therefore, I am proposing that the youth employment opportunity wage only be effective during the summer—specifically from May 1 to September 30. This is the period when the greatest number of youth are in the labor market and, therefore, the period in which this proposal will generate the most employment opportunities. By restricting the youth opportunity wage to the summer months, the jobs of older workers will be protected. An employer will not wish to disrupt his or her work force by attempting to use youth during the summer and adults the rest of the year.

To ensure that existing jobs are protected, the Employment Act of 1983 prohibits displacement of current workers by those hired at the youth employment opportunity wage. It also protects the wages of youth employed at the current minimum wage by prohibiting employers from reducing their rate of pay. Thus it expands youth employment opportunities, but not at the expense of older workers.

Some may try to use this proposed legislation as an opportunity to raise the level of the Federal minimum wage above the current \$3.35 per hour. I will vigorously oppose any such attempt. Raising the level of the minimum wage would cause many adult workers to lose their jobs. At a time of 10.4 percent unemployment, it would simply create further job loss and more unemployment.

Summary

The Employment Act of 1983 is a balanced and realistic approach to addressing our economy's structural unemployment

problem. It provides appropriate incentives for employers to hire the long-term unemployed. It provides needed financial assistance to men and women suffering from the hardship of prolonged joblessness, and provides Federal funds for a cooperative effort by industry, labor, and local officials in assisting displaced workers. It gives States the flexibility needed to further assist these workers, and supplements the major effort already underway to provide meaningful training to our disadvantaged youth by establishing a youth employment opportunity

wage which will give all our youth a chance to get the work experience they need. Our enterprise zone legislation will stimulate new jobs in economically distressed areas. Together these proposals will provide the foundation for expanding job opportunities for our unemployed. I urge the Congress to enact this legislation promptly.

RONALD REAGAN

The White House,
March 11, 1983.

Appointment of Two Members of the President's Committee on the Arts and the Humanities

March 11, 1983

The President today announced his intention to appoint the following individuals to be members of the President's Committee on the Arts and the Humanities. These are new positions.

Schuyler G. Chapin is serving as dean of the School of the Arts at Columbia University in New York City. He was acting general manager of the Metropolitan Opera in New York City in 1972-1973 and general manager in 1973-1975. He was executive producer, Amberson Enterprises, in New York (1969-1971) and served as vice president for programing

for the Lincoln Center for the Performing Arts in 1964-1969. He is married, has four children, and resides in New York. He was born February 13, 1923, in New York, N.Y.

Susan L. Davis was designated by the Speaker of the House. She is president of Susan Davis Public Relations in New York City. She was director of public relations for Girls Clubs of America in 1978-1981. She was a public relations consultant in Washington, D.C., in 1976-1977. She graduated from Finch College (B.A., 1969) and George Washington University (M.A., 1979). She was born November 29, 1947, in New York, N.Y.

Appointment of Emil Zselezky as a Member of the Board of Visitors of the United States Naval Academy

March 11, 1983

The President today announced his intention to appoint Emil Zselezky to be a member of the Board of Visitors of the United States Naval Academy for a term expiring December 30, 1985. He will succeed Anthony J. Celebrezze, Jr.

Since 1980 he has been with the Republican National Heritage Groups Council. He was a technical writer for G. P. Technology in 1979-1980 and was with Pinkerton Security in 1977-1978. He was deputy intelli-

gence officer for the Commander-in-Chief, U.S. Naval Forces, Europe, in 1972-1975. In 1967-1971 he served as executive assistant to the Chief of Staff of the Defense Intelligence Agency.

He graduated from the U.S. Naval Academy (B.S., 1955), the U.S. Naval War College (1972), and George Washington University (M.S., 1972). He is married, has three children, and resides in Temple Hills, Md. He was born November 14, 1931, in Staten Island, N.Y.

Remarks and a Question-and-Answer Session With Reporters on Domestic and Foreign Policy Issues March 11, 1983

The President. As you well know, I've long been urging that Republicans and Democrats work together in a spirit of bipartisanship to tackle the many great challenges that are facing the country. I'm pleased to note this morning that on two fronts we are making great progress—social security and jobs.

Members of Congress have been working very responsibly in the past few weeks to reach agreement on a major social security bill, and I'm hopeful that I'll have a bill on my desk before Easter.

A bipartisan coalition is also working very hard to produce a responsible jobs bill that will help to put Americans back to work. I strongly support those efforts, but I'm deeply disturbed by the possibility that the jobs bill will suddenly become a Christmas tree for special interest legislation. We must firmly oppose that effort.

In the meantime, there are many other areas where we must also achieve bipartisanship—on issues ranging from the budget to providing critical assistance for Central America and the Caribbean. And today, I'm sending to the Congress legislation that is very special to me and certainly deserves strong bipartisan support in the Congress. This is a measure to address the problems of the hard-core unemployed. I know that Congress faces a long and imposing agenda this year, but we should take heart that America is finally climbing out of one of our most difficult recessions.

Because we worked so hard over the past 2 years to lay a foundation for economic recovery, we are definitely on the mend. Now, in order to assure a lasting recovery and a lasting peace, we owe it to the American people to make 1983 another year of great accomplishment in the Congress.

And I'll bet that you have a few questions.

Banking Industry

Q. Mr. President, on the jobs bill, on the threat of adding Christmas trees to it, the banking industry is trying to put in a provision to exempt themselves from that withholding tax. And your administration has also accused the banking industry of having interest rates that are too high. What's going on? Is the banking industry threatening the economic recovery?

The President. Well, all I can say is that this intensive lobbying they've done has led to a great distortion of the situation. Now, they've led many people to believe, or to ignore the fact of how many millions of people would be exempt from any withholding, that this would not—as a matter of fact, virtually all senior citizens would be exempt. And I think that the banking industry would do a lot better to spend its time thinking about lowering interest rates than lobbying the way they are with regard to this legislation.

Helen [Helen Thomas, United Press International]?

Jobs Legislation

Q. Mr. President, will you veto any legislation where a Kasten-type amendment is attached?—to the jobs bill, for example?

The President. You know, Helen, that I've always said that I resist saying in advance whether I will veto or not. There are always exceptions to rules, and this is an exception. Yes, I would veto such legislation.

Central America and El Salvador

Q. Mr. President, you talk of bipartisanship, but you seem to be a long way from any kind of bipartisan agreement when it comes to the question of aid for Central America. The Speaker called your version of the situation down there “greatly overblown.” Democrat Mr. Tsongas talked about

blackmail in the idea that you had to get the money or there would have to be more advisers down there. What about that? And what about the idea that we could just keep on sending money down there, as the other side escalated, until we have ourselves another situation where we're in too deep to get out?

The President. Well, you know, with regard to the Speaker, us Irish are given to oratory—sometimes flamboyant.

No, I think if you look at this situation honestly, here is a government that has been democratically elected in a country that has had a history back over the decades of military rule and no democracy. It is a government that has embarked on a land reform program, that has moved up an election for the President—to have it this year instead of next year—that had in the last election a greater turnout than this country has ever been able to muster, in spite of the fact that the voters were threatened with death by the guerrillas if they attempted to vote.

They are improving their justice system with regard to arresting people that are continuing the violence that once was a pattern in that country. And I think that it is an obligation here to try and help, as we have.

Now, our economic help to that country has been 2 to 1 over military help. And the military help has been limited to spare parts and supplies and so forth and individual trainers. We have had a couple of their battalions come to our country and train, and they are the best of the military down there now. There's a great need for training.

There's no blackmail of any kind intended. But I would like to call attention, also, that in our international aid in many other trouble spots in the world, it does seem peculiar that this is the only one where they seem to be raising objections. And yet, here is one that is a threat to the Western Hemisphere, to our own security, in fact.

Q. If I can just follow up, sir. People are asking, where does it end?

The President. Where it ends with is recognition that the people of El Salvador, given a chance at the ballot box, have made it plain that they want order and peace and

democracy. And this government there is making every effort to persuade the guerrillas—to offer amnesty—to persuade them to come in and participate in the democratic process and not try to shoot their way into a ruling position in government.

And where I think it ends is with a political and an economic solution. We're trying to help them economically. The economy is being destroyed by the guerrillas. Every time we read a little note about a power failure because they'd bombed some powerplant or facility; every time they do away with bridges and highways and transportation and so forth in their guerrilla attacks—these leave people unemployed and industry stopped and so forth. And there has to be an end to that and a political solution to this problem. And that's what we're aiming at.

Resignation of EPA Administrator

Q. Mr. President, you said that Anne Burford did nothing wrong, that she can leave EPA with her head held high. But there are allegations that she talked about—admitted holding up the clean-up of one dump site because it might help California Governor Jerry Brown. There are also allegations that one of her top aides, James Burford—rather James Sanderson, was involved in EPA decisions involving his legal clients. When you say that she did nothing wrong while the investigation of those charges is still outstanding, aren't you in effect saying that those practices are all right with you?

The President. No, I'm not saying anything of the kind. And I heard her last night on television make that statement about the site. And she said that possibly she made some remark to that effect. But it had nothing to do with the decision that was made. The decision was made on entirely different and practical grounds. And she also pointed out that with the election over, she still, due to those other reasons, still has not made the decision on that particular site in California.

Now, I'm glad that you brought that subject up, because I think that what she did in resigning—I did regret very much. And I never would have asked for her resignation. She was doing a job. And we, this adminis-

tration, can be very proud of our record in environmental protection. And believe me, it tops what we found when we came here. And the fact that she was able to do it with a reduced budget—well, I've asked everyone in our government to do things with a reduced budget and with fewer employees, if possible. That was what we came in here to do—to make government more efficient, to eliminate waste and extravagance. And she has revealed that she is far more concerned with the national welfare and is a far bigger person than those people who have been sniping at her and who've been going public with unfounded allegations, accusations, and charges.

And she, from the very first, was willing to make every document available to them. It was myself, based on what I believe is—well, I've always described this as, you aren't President; you are temporarily custodian of an institution, the Presidency. And you don't have any right to do away with any of the prerogatives of that institution, and one of those is executive privilege. And this is what was being attacked by the Congress.

And, at the same, we were willing to make available almost 800,000 documents to them and, more recently, to give them access in a kind of controlled way to protect, because of possible litigation, those that were confidential and sensitive. But she was willing to give them all, which shows, in my book, she had nothing to hide. But I don't think that the people who were attacking her were concerned about the environment. I don't think they were concerned about any possible wrongdoing. As a matter of fact, I think this administration and its policies were their target. And, frankly, I wonder how they manage to look at themselves in the mirror in the morning.

Q. Mr. President, much of the sniping, though, came from inside the White House—from your staff; other people outside were orchestrated to do it. Governor Kean of New Jersey was not discouraged from coming down here and asking her to resign. How do you react to that? I mean, you didn't put a stop to that.

The President. I don't know of anything of that kind. I know that you were all citing these unnamed White House sources that

thought that she would resign. And I will admit, there must be people—I still would like to find them out and identify them—there must have been people or they're probably the same people that said that about everyone else who was attacked in some way in our administration, and all of whom have been cleared completely. And yet, the same charges were made: Oh, it might be a political embarrassment. Well, I'm not that easily politically embarrassed. When I know and have faith in the individual, I am not going to yield to the first attack and run for cover and throw somebody off the sleigh.

Q. But the Republican polls now show that your policies are perceived by the public, your environmental policies, as being more favorable to polluters than to the public. Are you going to change any of your environmental policies now that Mrs. Burford has gone?

The President. That's all they've heard, but no one has given any evidence that that is true. I'd like to call your attention to the fact that in 8 years as Governor, California not only led every State in the Union, we led the Federal Government in environmental protection. We were the forerunners of the whole movement. And how this idea has come, I sometimes suspect that the lobbyists for the environmental interests feel they have to keep their constituents stirred up or they might not have jobs anymore.

Q. Well you think the slowness in getting the Superfund into action at a number of sites has contributed to that perception and the fact that you have been quoted in the past as talking about environmental extremism?

The President. Well there is environmental extremism. I don't think they'll be happy until the White House looks like a bird's nest. [Laughter]

Ms. Thomas. Thank you, Mr. President.

The President. Helen, once, may I digress? There was a young lady here who I missed.

Ms. Thomas. Of course.

Central America and El Salvador

Q. Thank you, Mr. President. Back to El

Salvador for a minute—the civil war there has been going on for 3 years. With the aid that you're now proposing, do you feel that you have any idea when the conflict will stop, when it will be under control? Or is the United States prepared to make an open-ended commitment?

The President. I can't give you a date when a thing of this kind will end. Every effort is being made, as I say, to persuade them to come in and join in a peaceful solution to the problems.

This is also a regional problem. And the other countries, their neighbors—Costa Rica, Honduras, Guatemala, Panama, and others—are holding meetings to see what they, regionally, can do about this. Now, we're not participating in those. We would be an interested observer. We certainly encourage that kind of thing.

But these are other countries that have adopted democracy. Costa Rica. I don't know of any country—they don't even have an army. They are the most democratic country that you can imagine. Honduras has ended a long tradition of military rule and has a democratic form of government. And they all want to help because they recognize that this is an outside threat, really, to the security of the Western Hemisphere.

And I hope that it'll be a short time. I hope that these appeals and offers of amnesty will bring some of those people down from the hills. But I also have to recognize—not be naive—that these people up there in the hills are not just discontented

peasants who have managed to get their hands on a military weapon. These are trained and highly equipped military forces—trained and equipped and backed by outsiders by way, mainly, of Cuba, through Nicaragua.

And so I think that we have to stay with this. And I don't see why there is so much opposition to it. We have no intention of sending combat forces, nor have we ever been asked for combat forces. And there's no intention of us sending the adviser teams to be with combat units or anything. We're talking about simply giving their military some of the fundamental training to enable them to do the job.

Soviet Expulsion of U.S. Diplomat

Q. Mr. President, the Soviets have expelled a spy—

The President. Helen said, "thank you." I've got to—

Q. Can't you just tell us about the Soviets expelling the spy—

Deputy Press Secretary Speakes. Lesley [Lesley Stahl, CBS News], no questions. Sorry.

Q. —and was he spying, and what is your reaction?

The President. I don't know anything further than any of you know about that.

Q. Thank you very much, Mr. President.

The President. All right. Thank you all.

Note: The President spoke at 11:02 a.m. in the Briefing Room at the White House.

Radio Address to the Nation on Education

March 12, 1983

My fellow Americans:

I'd like to talk to you today about one of the most important issues that touches our lives and shapes our future: the education of America's children. We've always had a love affair with learning in this country. America is a melting pot, and education has been a mainspring for our democracy and freedom, a means of providing gifts of knowledge and opportunity to all citizens,

no matter how humble their background, so they could climb higher, help build the American dream, and leave a better life for those who follow.

Broad educational opportunity not only secured our role as the pathbreaker to progress, it also protected and strengthened our freedom. We were wise enough to heed Thomas Jefferson's warning that "any nation which expects to be ignorant and

free expects what never was and never will be.”

But in recent years, our traditions of opportunity and excellence in education have been under siege. We’ve witnessed the growth of a huge education bureaucracy. Parents have often been reduced to the role of outsiders. Government-manufactured inflation made private schools and higher education too expensive for too many families. Even God, source of all knowledge, was expelled from classrooms.

It’s time to face the truth. Advocates of more and more government interference in education have had ample time to make their case, and they’ve failed. Look at the record. Federal spending on education soared eightfold in the last 20 years, rising much faster than inflation. But during the same period, scholastic aptitude test scores went down, down, and down.

The classroom should be an entrance to life, not an escape from it.

As the leader of the free world, the United States must strengthen its defenses, modernize its industries, and move confidently into a new era of high technology. To do this, we need a smart and highly skilled work force. Yet, only one-sixth of our high school graduates have taken junior and senior level courses in science and math. And many U.S. high schools do not offer sufficient math to prepare graduates for engineering schools.

America can do better. We must move forward again by returning to the sound principles that never failed us when we lived up to them. Can we not begin by welcoming God back in our schools and by setting an example for children by striving to abide by His Ten Commandments and the Golden Rule? We’ve sent an amendment to the Congress that will permit voluntary prayer in school again.

But better education doesn’t mean a bigger Department of Education. In fact, that Department should be abolished. Instead, we must do a better job teaching the basics, insisting on discipline and results, encouraging competition and, above all, remembering that education does not begin with Washington officials or even State and local officials. It begins in the home, where it is the right and responsibility of every

American.

Parents and teachers have the toughest, sometimes the most thankless, but always the most important jobs in America. They need our help and support.

Our administration has put together an education package that addresses the challenge of restoring opportunity to families and excellence in our schools. It contains several proposals to help parents reestablish control and to assist them in meeting education costs.

First, tuition tax credits, which we’ve already sent to the Congress, will soften the double-payment burden for those paying public school taxes and independent or parochial school tuition. This proposal will help those who need help the most—low- and middle-income families.

Second, we’re proposing a voucher system to help parents of disadvantaged children. We want to give States or individual school districts the option of using certain Federal education funds to create vouchers so these parents can choose which school, private or public, they want their children to attend.

Third, we’re proposing a system of educational savings accounts to help families save for college education. Parents will be able to save up to \$1,000 per year, per child, with no tax on the interest.

These proposals will expand opportunities by allowing parents to keep more of their own money, rather than taxing it away to finance bigger bureaucracies. They will also increase healthy competition among schools. Without a race, there can be no champion, no records broken, no excellence in education or any other walk of life.

We’re talking about no less than the future of this nation. Last Monday, I was pleased to meet 40 of America’s top high school math and science students. I told them that science and technology are keys to prosperity, learning, and a better quality of life.

We’ve already sent legislation to the Congress to stimulate training of more math and science teachers. Another program we’ve proposed will encourage existing math and science teachers to go back to school themselves to update their own

knowledge. And we're also beginning a new program, one I intend to participate in myself, to honor some of America's best science and math teachers. They are a true national resource.

Private sector initiatives can also make great contributions. We're encouraging corporations, community organizations, and neighborhood groups across the country to adopt schools and help them meet their education needs with funds, equipment, and personnel.

Finally, to combat adult illiteracy, we will encourage college students to provide tutor-

ing, either through voluntary community service or as part of our expanded work-study program.

Just as we're now seeing a healthy revival of our national economy, we can improve America's educational system and make it the best in the world again. But we must not delay. I hope we'll have your support and the cooperation of the Congress.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Remarks at a Memorial Service for 13 Federal Law Enforcement Officers Who Died in the Line of Duty

March 14, 1983

Two years ago, I saw close up, very close up, two profiles of courage. Were it not for the brave efforts of Secret Service Agents Jerry Parr and Tim McCarthy, I might not be speaking to you here today.

Jerry realized before I did what was going on and literally threw me into a waiting car. Tim deliberately took a bullet that was intended for me.

Fortunately neither of these Federal officers nor Washington Patrolman Thomas Delahanty nor my own Press Secretary, Jim Brady, lost their lives that day near the Hilton, although three of these men suffered severe injury.

While serving their fellow citizens, however, other law enforcement officers, as we've been told today, have lost their lives. In recent months alone, no fewer, as you've been told, than 13 Federal agents have been killed while on the job. Their deaths remind us again of the difficult and the very hazardous tasks that we ask our Federal law enforcement officers to carry out. Sometimes they must perform these duties in unfamiliar surroundings, sometimes must deal at close hand with the most destructive and unpredictable elements in our society. Frequently, their work is as routine as anyone else's. But they know, without a doubt, that someday, perhaps today, they

may face danger and, perhaps, even tragedy.

Just 9 days ago, tragedy did occur with the three Secret Service agents who died in that head-on collision on a mountain road in California. George Patrick LaBarge, Donald W. Robinson, and Donald Bejcek died performing their professional duties. They were driving to Yosemite National Park, where they were to provide protection for Queen Elizabeth.

It's beyond our understanding, or certainly we're not allowed to know, just why these things happen, why these men should have been riding at that moment in that car, just as it eludes our understanding why four FBI agents should be in a plane that crashed outside of Cincinnati, Ohio, on December 16th. Robert W. Connors, Charles L. Ellington, Terry B. Hereford, and Michael J. Lynch died in the worst accident in FBI history. They, too, were faithfully doing their job. They were in search of embezzled money that was supposedly buried near Cincinnati.

Accounts of homicides so frequently are in the newspapers and the nightly news that they almost seem commonplace. But no murder is commonplace. When the victim is a law enforcement officer, there's an added dimension. Here, the assault is

perpetrated not only against an innocent individual but also against the society he represents and is solemnly sworn to protect.

U.S. Marshals Kenneth Muir and Robert Cheshire were shot to death February 13th outside Medina, North Dakota, where they were attempting to serve a warrant on a man violating his probation on a tax evasion conviction. Correctional Officer Gary Lee Rowe was responding February 7th to an alert of a possible escape attempt when inmates in a Federal prison in San Diego fatally attacked him with an arsenal of home-made, metal weapons. Correctional Officer Gregory Johnnie Gunter lost his life on—all days—Christmas, when despite being off duty, he attempted to settle a dispute between two angry mobs of prisoners in the Federal penal institution at Petersburg, Virginia.

Alcohol, Tobacco and Firearms Agent Ariel Rios, as the Secretary told us—shot and killed December 2d in Miami while working undercover on a cocaine investigation. And Thomas J. Devine of the Drug Enforcement Administration—shot in the leg and the base of the neck October 12th, 1972, by a suspect in an undercover narcotics investigation—died from his wounds September 25, 1982.

It's wisely said that nothing worth having comes cheaply or easily. And the price of a free nation is sometimes counted in the dearest currency: human life. These 13 men, all the best of professionals, were dedicated Americans. They gave their lives in a continuing battle to preserve the domestic peace and to make America safe from those who would prey on the innocent.

Our approach must be one of great appreciation for their work and their lives, and it's only imperfectly expressed by the gathering here today. The family members of each of these men bear a unique burden. It's my wish that they will find solace in the loyalty and support and friendship of the professionals their loved ones worked with and in the respect and gratitude of our citizens for the job they did.

Finally, I hope and pray that all Americans will be inspired by the knowledge that each of these men died as few men do—a hero. Someone had said once that "a hero is

no braver than anyone else; he's just brave 5 minutes longer." But the men we're talking about today are brave every minute, every hour around the clock, and have chosen that path of courage for their lives. And what of the heroism of those who share those lives and who know the possibility that each day holds?

If you'd permit me to just tell a little personal story where, perhaps, I got my first realization of this heroism.

Several years ago while I was still Governor of California, after a tragic assassination in our country, Secret Service were assigned to several of us in public office. And on weekends, when I could, I liked to get to the ranch and sometimes do a little target shooting and plinking at tin cans. And they liked to keep their hand in, too. So, together, those men and myself, we'd go down in the woods and do some target shooting.

And one day I mentioned that I had read an article on shooting from the hip. And they said, "Oh, yes, we have to do that." And one of them set a tin can up and I went into a crouch, as the article had said, and I blazed away and the can was entirely untouched. And then one of them stepped up and, standing erect, took his turn. And I said, "Well, wait a minute. You didn't crouch. The article said that you go into a crouch." And he sort of pebble-pushed there for a minute. He didn't know quite how to answer me, and he said, "Well. . . ." Finally he mumbled, "We lose our rating if we crouch." And I said, "Well, I don't understand. The article said . . . , and so forth. And the unit chief that day took me off the spot, or him off the spot, when he said to me, "Governor, if we're ever shooting at anyone, we're between him and his target." It was quite an awakening.

I think all of us should give thanks to God that there are men in this society of ours who are willing to take these jobs.

Thank you.

Note: The President spoke at 11:17 a.m. at the Department of Justice. The ceremony was attended by Attorney General William French Smith, Secretary of the Treasury Donald T. Regan, top Federal law enforcement officials, representatives of State and

local law enforcement organizations, and family members of the deceased officers. Following the service, the President met

with members of the families before returning to the White House.

Nomination of Harry O'Connor To Be a Member of the Board of Directors of the Corporation for Public Broadcasting

March 14, 1983

The President today announced his intention to nominate Harry O'Connor to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 1, 1984. He would succeed Charles W. Roll, Jr.

Since 1968 Mr. O'Connor has served as chairman of O'Connor Creative Services, Inc., in Universal City, Calif. O'Connor Creative Services produced and syndicated Ronald Reagan's daily radio broadcasts in 1975-1979.

Mr. O'Connor is also president of Pacific

Pioneer Broadcasters. Previously he was writer, producer, and salesman with Mel Blanc Associates, in 1964-1967; principal and president, Archer Productions, in 1962; principal and general manager of radio station KTXO in Sherman, Tex., and KGKB in Tyler, Tex., in 1960-1961. His experience in the radio industry dates back to 1943, when he joined radio station KMAC in San Antonio.

Mr. O'Connor has five children and resides in Playa del Rey, Calif. He was born March 22, 1926, in San Antonio, Tex.

Nomination of David H. Martin To Be Director of the Office of Government Ethics in the Office of Personnel Management

March 14, 1983

The President today announced his intention to nominate David H. Martin to be Director of the Office of Government Ethics. He would succeed J. Jackson Walter.

Since 1977 Mr. Martin has been a partner in the law firm of Santarelli & Gimer in Washington, D.C. Previously he was Chief Counsel for the United States Secret Service in 1975-1977; special trial attorney in the Criminal Division at the Department of Justice in 1968-1973; and with the Department of State in the Office of the Legal

Adviser in 1966-1968.

He is a member of the American Bar Association, Criminal Justice Section, and serves on the General Counsel's Committee of the Federal Bar Association.

He graduated from Western Maryland College (B.S., 1962) and George Washington University School of Law (LL.B., 1967). He is married, has two children, and resides in Clarksburg, Md. He was born December 5, 1939, in Bedford, Va.

Nomination of William F. Pickard To Be a Member of the Board of Directors of the African Development Foundation, and Designation as Chairman

March 14, 1983

The President today announced his intention to nominate William F. Pickard to be a member of the Board of Directors of the African Development Foundation for a term of 6 years. This is a new position. Upon his confirmation, the President also intends to designate him as Chairman.

Mr. Pickard has been owner/operator of six McDonald's restaurants in Detroit, Mich., since 1971. Previously he was associate director, department of urban studies, Cleveland State University, Cleveland, Ohio, in 1971-1972; executive director of the National Association for the Advancement of Colored People (NAACP) in 1967-1969; and with the Urban League of Cleve-

land, Ohio, in 1965-1967. He has been active in civic affairs, serving as director of the First Independence National Bank, Detroit, Mich., one of the largest minority-owned banks in America; director, Detroit, Economic Development Corporation; and was cited in *The Detroit News* ". . . as one of the citizens most likely to lead the Detroit area in the 1980's . . ."

He graduated from Mott Community College (A.S., 1962), Western Michigan University (B.S., 1964), the University of Michigan (M.S.W., 1965), and Ohio State University (Ph. D., 1971). He resides in Dearborn, Mich., and was born January 28, 1942.

Proclamation 5031—National P.O.W.-M.I.A. Recognition Day, 1983

March 14, 1983

*By the President of the United States
of America*

A Proclamation

Since the earliest days of our Nation, America's men and women have answered the call to duty. In each of our country's conflicts, our prisoners of war have endured extreme hardships and have been required to make great sacrifices. But even when facing the most extreme adversity, they have proudly defended American ideals. Their burden has been magnified when they were subject to mistreatment, torture, or death in violation of fundamental moral standards and international codes of conduct.

Our country is also acutely aware of the deep suffering experienced by the families of our servicemen held captive or missing in action. These families have faced a haunting uncertainty and awesome silence that tear at their hearts and earns the deep esteem of their countrymen.

American P.O.W.'s and M.I.A.'s are heroes who have gone beyond courage and beyond duty to an honored place in the souls of their fellow Americans. They symbolize the kind of singular sacrifice and devotion that has repeatedly proven instrumental in shaping our Nation's destiny. This country will never forget nor fail to honor those who have so courageously garnered our highest regard.

By Joint Resolution, the Congress has designated April 9, 1983, as National P.O.W.-M.I.A. Recognition Day. On this day, I firmly believe that we should recognize the special debt all Americans owe to our fellow citizens who gave up their freedom in the service of our country and to the families who have undergone a great travail.

We shall continue to remember our missing servicemen. Our Nation must never forget them. Resolution of their fate is, and will remain, a matter of the highest national priority. On April 9, 1983, a P.O.W.-M.I.A.

Flag will fly over the White House, the Departments of State and Defense, and the Veterans Administration as a symbol of our unswerving commitment to resolving the fate of all servicemen still missing.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate Saturday, April 9, 1983, as National P.O.W.-M.I.A. Recognition Day, a day dedicated to all former American prisoners of war, to those still missing, and to their families. I call on all Americans to join in honoring those who have been held captive in war and their loved ones.

I call upon State and local officials and private organizations to observe this day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 14th day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:57 a.m., March 15, 1983]

Nomination of General John A. Wickham, Jr., To Be Chief of Staff of the United States Army

March 15, 1983

The President today announced his intention to nominate Gen. John A. Wickham, Jr., to be Chief of Staff of the United States Army. He would succeed Gen. Edward C. Meyer, who is retiring.

General Wickham is presently serving as the Vice Chief of Staff of the United States Army. Previously he was Commander in Chief of the United Nations Command, Commander in Chief of the Combined Forces Command, Commander of the United States Forces Korea, and Commander of the Eighth United States Army in 1979-1982; Director, Joint Staff, Organiza-

tion of the Joint Chiefs of Staff in 1978-1979; Assistant Deputy Chief of Staff for Operations and Plans, United States Army, in 1978; Commanding General of the 101st Airborne Division and Fort Campbell, Ky., in 1976-1978; and Military Assistant to the Secretary of Defense, Washington, D.C., in 1973-1976. General Wickham has served in the United States Army for over 32 years.

He graduated from the United States Military Academy (B.S.) and Harvard University (M.P.A., M.A.). He was born June 25, 1928, in Dobbs Ferry, N.Y.

Nomination of Mary F. Wieseman To Be Inspector General of the Small Business Administration

March 15, 1983

The President today announced his intention to nominate Mary F. Wieseman to be Inspector General of the Small Business Administration. She would succeed Paul R. Boucher.

Since 1976 she has been a partner in the law firm of Wieseman, Wieseman & Gallagher in Rockville, Md. Previously she was a consultant to the Office of the General

Counsel, Department of Health, Education, and Welfare in 1975-1976; consultant for the National Institute of Law Enforcement and Criminal Justice in 1974-1975; legal counsel for Saint Elizabeths Hospital in 1971-1972; and assistant United States attorney for the District of Columbia in 1968-1971.

She graduated from Catholic University

(1964) and Catholic University Law School (LL.B., 1967). She is married, has three chil-

dren, and resides in Rockville, Md. She was born September 14, 1942.

Remarks of the President and Prime Minister Rudolphus Lubbers of the Netherlands Following Their Meetings *March 15, 1983*

The President. It's been a pleasure for me to meet and confer with Prime Minister Lubbers. This is his first visit to this country since becoming Prime Minister, head of the Dutch Government, and we've used the opportunity to discuss a wide range of issues.

One of the subjects discussed was, as you could well imagine, INF, the intermediate nuclear force discussions. We agreed that Western unity behind modernizing NATO's defensive capabilities and serious arms negotiations are essential to maintaining peace and security. Throughout the discussions this morning in the Oval Office and during a working lunch, it was evident the Netherlands and the United States continue to share a common outlook and a unity of purpose.

As the Dutch-American bicentennial reminded us last year, our bonds are tied by 200 years of friendship. We believe in the Atlantic Partnership, which has not only kept peace for 30 years or more but which has also improved the quality of life on both sides of the Atlantic. I have no doubt that we in America and the Netherlands, cemented by shared values and common interests, will continue to work closely together, seeking a world that is free from war, in which liberty and freedom of choice are respected.

Mr. Prime Minister, it's been a great pleasure to welcome you here, you and your associates.

The Prime Minister. Ladies and gentlemen, it was a real pleasure for me to talk with President Reagan as allies in the Atlantic partnership. How different in scale our countries are, we share a common task—prosperity and freedom for our people, re-

spect for the individual, and responsibility among nations.

We discussed the road to economic recovery, the importance of free trade and of fair trade relations between the United States and Europe, of compromises instead of harming each other—the need, also, of monetary and budgetary policies which lower interest rates.

As NATO allies we discussed also security problems, the important and adequate contribution of the Dutch to a defense posture, sufficient to discourage aggression. Of course, we discussed also INF. Preparations for the deployment of these weapons as a political and a military answer to the Soviet threat, the SS-20's threat, are underway as scheduled. The Soviets have to understand that Geneva talks have to become now Geneva negotiations. President Reagan stated to me a deep, personal commitment to achieving an arms reduction agreement. In that endeavor, the alliance is united.

And then we discussed also our responsibilities in connection with Third World countries, the strengthening, especially, of international institutions.

Ladies and gentlemen, respect for every individual wherever she or he lives, responsibility and freedom, freedom and responsibility, that's our common ground.

Thank you.

Note: The President spoke at 1:25 p.m. to reporters assembled at the South Portico of the White House.

Earlier, the President and the Prime Minister met in the Oval Office and then held a working luncheon, together with U.S. and Dutch officials, in the State Dining Room.

Remarks at a White House Reception for Members of the Country Music Association

March 15, 1983

The President. Thank you all very much, and good evening, and welcome to the White House. And, you know, I realize that this is an anniversary occasion, but I go back with your kind of music long before the beginning of the association, when WHO, clear channel station, Des Moines, Iowa—[laughter]. And as a matter of fact, at one point we had a program director who wasn't sympathetic to that kind of music, but the head of the company was and he wanted more of it. And I can never forget the program director slamming down the phone and then saying to those of us who were present, "All right, I'll put two coffins of pine on the 7:29." [Laughter]

Seriously, since country music is one of only a very few art forms that we can claim as purely American, it is a special pleasure to welcome its brightest stars to the White House and our national home. You belong here. Your music belongs here, and I hope you agree it sounds pretty good when it bounces off these historic walls.

Someone once said that it's easier to understand a nation by listening to its music than it is by learning their language. And when you listen to country music, you hear the beauty of our wide open spaces, the emotions of a people whose hearts are as big and full as the land they live in. The country sound has become a good will ambassador for us all around the world—through its variety, spreading an understanding of our basic values, our high spirit and determined self-reliance. And as others understand this music, they also understand and appreciate our deep-seated love of country, freedom, and God.

On behalf of all Americans, I want to congratulate the Country Music Association on its 25th anniversary, on the art form it has nurtured, and the music with which your members have enriched our lives. All America celebrates with you. And I particularly look forward to one whale of a concert at Constitution Hall. What an appropriate place to make music history with such a

profoundly American tradition.

So, welcome to Washington, and happy anniversary. Thank you, and God bless you.

Mr. Marmaduke. I don't feel right standing in front of you. [Laughter]

Mr. President, Mrs. Reagan, distinguished Members of Congress, ladies and gentlemen:

On behalf of the board of directors of the Country Music Association and the artists appearing here for the 25th anniversary show, I would like to express our sincere gratitude for you hosting this marvelous reception.

Mr. President, as a memento of the show and C.M.A.'s 25th anniversary, we would like to present to you for your record collection a personally autographed album from each of the artists that'll appear on the show tomorrow night. They're too heavy to pick up, so I'm not going to try to do that. [Laughter] So, these are the two cases here.

In addition, we have a special, personal, leather-bound copy of Billboard Magazine's special issue released this week commemorating this 25th anniversary. I'm going to just pick that up—to see that, Billboard Magazine. And if we can get rid of that—[laughter]—we have one more deal. [Laughter]

In addition—thank you. [Laughter] And the last deal we have is some tour jackets embroidered with your names and with the 25th anniversary emblem. And I'm told—I'm not too sure this is right—if you'll put these on, they'll get you backstage anywhere you go. [Laughter]

Mrs. Reagan. Thank you very much.

Mr. Marmaduke. Thank you very much.

The President. Thank you very much. The music and—he didn't really mean anything by Billboard. I'm having enough trouble with the press. I'd—[laughter]—keep Billboard on my side.

Note: The President spoke at 5:32 p.m. in the East Room.

Sam Marmaduke is cochairman of the board of directors of the association.

Proclamation 5032—Loyalty Day, 1983

March 15, 1983

*By the President of the United States
of America*

A Proclamation

It was once written that America is great because it is good, and if America ever ceases to be good, America will cease to be great. So long as Americans remain faithful—in deeds as well as thought—to the ideals embodied in our Constitution and furthered in our free institutions, our Nation's greatness will flourish.

Americans have fought, and many have died, to preserve the blessings of liberty in this fair land. Each of us has the opportunity to honor these sacrifices and to renew our commitment to American ideals as we go about our daily lives. When we participate in a free election, extend a helping hand to a neighbor, live responsible and productive lives, or teach a child through our own actions that all people are equal under the law, we manifest our allegiance to this great country.

We must never take our precious freedoms for granted. Rather, from time to time we must rededicate ourselves to the magnificent ideals of our great democracy—liberty, justice, and dignity for all mankind.

For this purpose, the Congress, by joint

resolution approved July 18, 1958 (72 Stat. 369; 36 U.S.C. 162), has designated May 1 of each year as Loyalty Day, a day for reflection upon our national institutions, our heritage of freedom, and what it means to be an American.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim Sunday, May 1, 1983, as Loyalty Day and call upon all Americans and patriotic, civic, and educational organizations to observe that day with appropriate ceremonies.

I call upon all government officials to display the flag of the United States on all Government buildings and grounds on that day.

In Witness Whereof, I have hereunto set my hand this 15th day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:21 a.m., March 16, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on March 16.

Message on the Observance of St. Patrick's Day

March 16, 1983

It is with great pleasure and happiness that Nancy and I wish everyone a wonderful St. Patrick's Day.

On this special occasion, the "wearing" of the green" reminds the Reagan family of the adventurous souls of Erin who through the years have traveled to these shores.

Their spirit and joy of life have not only benefitted generations that followed, but blessed this bountiful land with the qualities of wit and dedication we associate so affectionately with the Irish.

St. Patrick's faith and idealism kindled a fire that burns even today in the minds of

Irish men and women. It is a flame of faith that, joined with the Irish love of liberty and laughter, song and scholarship, has left an unforgettable mark on Ireland, America, and the world.

This St. Patrick's Day is a time for all Americans to honor the innumerable contri-

butions of Irish Americans to our nation. May they always cultivate their rich heritage and may Americans never forget their bonds with that green land of fair hills, soft rain, and kindly hearts across the sea.

RONALD REAGAN

Nomination of Charles Ray Ritcheson To Be a Member of the National Council on the Humanities

March 16, 1983

The President today announced his intention to nominate Charles Ray Ritcheson to be a member of the National Council on the Humanities, of the National Foundation on the Humanities, National Foundation on the Arts and the Humanities, for the remainder of the term expiring January 26, 1986. He would succeed Bartlett Giamatti.

Since 1977 Dr. Ritcheson has been the Lovell Distinguished Professor of History at the University of Southern California. He is presently on sabbatical in Europe. Previously he was cultural attaché at the United States Embassy, London, England, in 1974–1977; Colin Rhys Lovell Professor of History at the University of Southern California in

1971–1974; and director of library advancement with the rank of dean at Southern Methodist University in 1970–1971. He was also a professor at Kenyon College and Oklahoma College for Women.

He is a member of the American Historical Association, the Royal Historical Society, and the British Association for American Studies.

Dr. Ritcheson graduated from Oklahoma University (B.A., 1946) and Oxford University (Ph. D., 1951). He also attended Zurich University (Switzerland) and Harvard University. He is married, has six children, and resides in Los Angeles, Calif. He was born February 26, 1925, in Maysville, Okla.

Appointment of John A. Kraeutler as a Member of the National Highway Safety Advisory Committee

March 16, 1983

The President today announced his intention to appoint John A. Kraeutler to be a member of the National Highway Safety Advisory Committee for a term expiring March 15, 1985. He will succeed Ralph V. Durham.

Mr. Kraeutler is chairman of the board of Underwriters, Inc., in Morristown, N.J. He also serves on the boards of directors of

several insurance corporations based in Morristown. In the past he served as senior vice president of the Church Insurance Co. and as vice president and manager of Frank B. Hall & Co.

He is married, has six children, and resides in Convent Station, N.J. He was born June 11, 1935, in Irvington, N.J.

Message to the Congress Transmitting Proposed Crime Control Legislation

March 16, 1983

To the Congress of the United States:

I am transmitting to the Congress today a legislative proposal entitled, the "Comprehensive Crime Control Act of 1983."

As you know, my Administration has made major efforts to fight crime in America. Soon after taking office, I directed the Attorney General and other Federal law enforcement officials to improve the efficiency and coordination of Federal law enforcement, with special emphasis on violent and drug-related crime. This has been accomplished largely through the work of the Cabinet Council on Legal Policy, chaired by the Attorney General, as well as through leadership provided by the White House Office on Drug Abuse Policy. As a result of these efforts, Federal law enforcement is better coordinated than ever before.

Of even greater importance, this Administration is attacking crime at its source by providing increased resources to Federal law enforcement agencies for apprehension, conviction, and incarceration. Last October, for example, I announced a national strategy to cripple organized crime and put drug traffickers out of business. We established twelve interagency task forces in key areas of the country—modeled in part on the Task Force that has been operating very successfully in South Florida—to work with State and local law enforcement officials to shut down organized criminal enterprises. We established a National Center for State and Local Law Enforcement Training to assist and train State and local officials in combatting syndicated crime. We also have taken many other actions, including use of the FBI in drug cases, to bring the full resources of the United States Government to bear on the critical problem of crime.

Our efforts are beginning to bear fruit. During 1982, for example, Federal cocaine seizures totalled nearly 12,500 pounds—nearly three times the amount seized in 1981. Heroin seizures almost doubled, and seizures of marijuana increased by 50 percent. I have every reason to believe that

these and other administrative actions will continue to increase arrests and convictions of persons who violate Federal law.

But administrative action, however successful, is not enough. If the forces of law are to regain the upper hand over the forces of crime, ensuring that criminals are convicted and put and kept behind bars, basic legislative changes are needed.

During the 97th Congress, the Senate passed S. 2572, the Violent Crime and Drug Enforcement Improvements Act. Among its principal provisions, this legislation would have made major and urgently needed changes in our laws concerning bail, criminal forfeiture, and sentencing. It is unfortunate that S. 2572 was not enacted during the last Congress, but I look forward to working with the 98th Congress to secure, at long last, passage of critically needed substantive criminal law reform.

The legislative proposal that I am transmitting today provides a thorough and comprehensive reform of those aspects of Federal criminal law that have proven to be the largest obstacles in our fight against crime. Many of our proposals were considered by the 97th Congress. Others are new. Each is important in rolling back the tide of criminal activity that threatens our Nation, our families and our way of life.

Our proposal is summarized in some detail in the materials accompanying this message. I do, however, want to highlight six especially critical reforms:

- *Bail.* Our bill would make it much more difficult for a defendant likely to be a threat to his community to be released on bail pending trial.

- *Sentencing.* The bill would change the sentencing system to ensure that sentences would be determinate and consistent throughout the Federal system, with no parole possible.

- *Exclusionary rule.* Under our proposal, evidence in a criminal case that may have been improperly seized, which is now excluded from evidence, would be admissible

upon a showing that the officer making the seizure acted in reasonable good faith.

- *Criminal forfeitures.* Our bill would strengthen the ability of Federal prosecutors to confiscate the assets and profits of criminal enterprises.

- *Insanity defense.* The bill would replace the current Federal insanity defense with a narrower defense applicable only to a person who is unable to appreciate the nature or wrongfulness of his acts.

- *Narcotics enforcement.* Our proposal would substantially increase the penalties for trafficking in drugs and would strengthen the regulatory authority of the Drug Enforcement Administration with respect to the diversion of legitimate drugs into illegal channels.

The bill contains many other important provisions, as well, concerning labor racketeering, capital punishment, consumer product tampering, and extradition, to name only a few. These proposals, taken together, will provide Federal law enforcement officials with important new tools with which to combat crime and will help once again to make our streets safe for all our citizens.

We must not allow further delay in protecting the rights, safety, and quality of life of all Americans. We must act now. Accordingly, I urge prompt consideration and passage of these legislative proposals.

RONALD REAGAN

The White House,
March 16, 1983.

Statement on the Death of Arthur Godfrey

March 16, 1983

Arthur Godfrey was a familiar face and voice to millions of Americans over several generations and a broadcasting pioneer. In a long career, he not only won national popularity but triumphed over illness and physical disability in a way that was an inspiration to his fans. His tireless dedication

to protecting our environment was one of many worthy causes he espoused as a concerned citizen.

Nancy and I join with Arthur Godfrey's family and countless friends and admirers in mourning the passing of an outstanding American.

Remarks to Members of the Country Music Association During a Television Performance

March 16, 1983

I had to bring my own cue cards. [*Laughter*]

Hearing that patriotic hymn sung so beautifully stirs up so many feelings—pride in the strength of our land, goodness of our people, and gratefulness to God for being free and an American. We've all been treated to a magnificent show this evening, entertained by a galaxy of some of America's best known and best loved stars. I hope you all enjoyed it as much as the Bushes and the Reagans did.

There was only one unsettling thing, and

that was every time they talked about fiddling, I thought another congressional committee was messing around with the defense budget. [*Laughter*]

But if ever there was a night to forget your cares, this was it. Speaking for those of us who have been alternately tapping our feet and dabbing at our eyes all evening, I would like to offer a heartfelt, country-sized "thank you."

And I also would like to congratulate the Country Music Association on its 25th anniversary. For a quarter of a century, C.M.A.

has been encouraging, developing, and promoting the musical sound that comes straight from America's heart. They've spread a home-grown music around the world, and I can't imagine a better ambassador. Remember, country music's contributions are greater than just the songs, although it's given us some great ones—Roy's [Roy Acuff] great "Speckled Bird" is one of my personal favorites. And the medleys sung tonight demonstrate the country's rich diversity.

But the best thing about country music is its people—a large and God-fearing, patriotic bunch from the mainstream of America. Most of them grew up in rural communities

or small towns like the rest of us, and when they sing and pick and play, they tell the world about what it means to most of us: our families, our God, and our country.

And on behalf of the Nation, never very far from its foot-stomping roots, thanks to C.M.A. and its people who bring us and the world such truly American music. And all I can say again to these wonderful people is, thank you all, and God bless you.

Note: The President spoke at 10:12 p.m. in Constitution Hall. The performance was taped for later broadcast on the CBS network.

Message to the Congress Transmitting Proposed Education Assistance Legislation

March 17, 1983

To the Congress of the United States:

I am herewith transmitting to the Congress three bills to improve equity and quality in American education: "The Student Assistance Improvement Amendments", "The Education Savings Account Act" and "The Equal Educational Opportunity Act".

All Americans, and especially today's parents, are deeply concerned about our system of education—and rightly so. For generations we have been justly proud of the quality and openness of our education system from kindergarten to postgraduate levels, both public and private. It has served the nation well, but now it is in need of significant changes in key areas.

The programs and budget requests I recommended to the Congress this year address a wide range of education issues. They reflect my strong conviction that education decisions should be made by parents, students, States and local officials. The national government also has an important, but limited, role to play in the education system. Thus, while I have worked to brake the runaway growth in education spending, my budget calls for over \$13 billion for the coming fiscal year. Within this total is over \$4 billion for supplemental educational

services for the educationally disadvantaged and for the handicapped. I have also included over \$5.6 billion for post-secondary student aid.

Despite these huge investments and its own basic strengths, our education system has not been immune to the stresses and strains of a changing society. Its problems are complex and varied. They call for a broad range of creative approaches by concerned parents, by educators, by the private sector, and by government.

Two of these critical problems are the reasons for the bills I am proposing today. These problems are:

—*Meeting Higher Education Costs.* The cost of higher education rose 30% in just three years, from 1978 to 1981, making it more difficult for qualified students from lower and middle-income families to meet the cost of attending many institutions despite very rapidly rising Federal student aid. At the same time, many more affluent families who could contribute more have been paying a smaller share of these costs, relying instead on increasingly generous Federal aid.

—*Parental Choice.* At the elementary and secondary level, parents too often feel ex-

cluded from the education of their own children by education bureaucracies. Parents who turn to private schools are burdened with a double payment—they must pay private school tuition in addition to taxes for the public schools. As a practical matter the ability to choose and the opportunity to obtain a private education are made difficult if not impossible for many Americans—particularly those from low- and middle-income families.

Administration Proposals

The three bills I am transmitting to Congress today take on squarely these two important issues.

Meeting Higher Education Costs

The “Student Assistance Improvement Amendments” I am transmitting will:

- Redirect the present student aid system from one in which some students can get Federal grants without contributing any of their own money, to a system which begins with self-help, with parents and students shouldering their fair share of the cost of education before Federal grants are made;
- Increase by almost 60% the funds available for work-study to help students help themselves meet their obligations;
- Increase by two-thirds the maximum Pell grant students can receive under current law; and
- Require all applicants for guaranteed student loans to prove need before receiving the generous interest subsidy.

With these changes, Federal student aid dollars will help more low-income persons meet the burden of education costs and will help restore confidence in the fairness of our system of education.

In addition, I am asking the Congress to enact my Education Savings Account proposal. This bill speaks to another aspect of the education cost problem I have described: the difficulty parents have in saving for college costs.

Everyone has trouble saving for the future, especially when today’s demands on our resources are so great. Nevertheless, the importance of saving for higher education has never been so critical. We need a strong, diverse higher education system to

which all Americans have access. Moreover, many of the nation’s better job opportunities will be limited to those who have a higher education. So I have today proposed an additional special incentive for parents to begin, as early as possible, to set aside money for their children’s college education.

Under my proposal many parents will be able to put aside up to \$1,000 per year in special accounts whose interest income will be tax free. The full benefit will be available to all those with incomes below \$40,000 per year; reduced benefits are included for families with incomes up to \$60,000.

Over time, this tax incentive will greatly enhance parents’ ability to contribute to the cost of the higher education they want for their children. It cannot, of course, substitute for the student’s own work and savings, nor for Federal aid. It will, however, help to restore a better balance in the system and make meeting the family’s share of education costs a less burdensome task in future years.

Parental Choice

At the elementary and secondary level, we face different problems. The public education system, as it has evolved over the decades, is the backbone of American education and one of the great strengths of our democracy. However, many parents want to use alternative approaches to meet the educational needs of their children. This option should be theirs in our free society. But there can be meaningful choice only if our system also makes access to alternatives a reality.

Several weeks ago I sent to Congress a bill to make tuition tax credits available to all parents, within eligible income limits, who choose to send their children to non-discriminatory private schools. Today, I am proposing a bill, the “Equal Educational Opportunity Act,” to permit States and localities to offer another kind of choice to parents whose children are selected for participation in our \$3 billion compensatory education program, Chapter 1 of the Education Consolidation and Improvement Act.

Chapter 1 helps meet the costs of supplemental educational services, like remedial

reading, for millions of educationally disadvantaged children each year. In some cases, we believe that the parents of those children would prefer a greater range of educational choice in their selection of a school. Under this bill, in States or school districts which choose to provide the option, parents would be able to participate in a voucher program to exercise that choice at whatever school they felt provided the greatest educational opportunity for their children.

I firmly believe that in districts where the voucher option is implemented, education will be strengthened for all. The potential for competition for enrollments and resources will raise the quality of both public and private education. Parents will gain a greater measure of control. Children will receive a better education.

Conclusion

These three bills address central issues in American education. They will bring greater order and balance to Federal, family and student efforts to meet the rising cost of higher education. They will help bring parental choice and the benefits of competition to elementary and secondary education. They, and all my proposals in the education area, make clear the limited role of the Federal government and wherever possible restore more choice and control to the family. Their ultimate goal is more diverse, higher quality education for all Americans. I ask your support for rapid consideration and passage of these proposals.

RONALD REAGAN

The White House,
March 17, 1983.

Statement on St. Patrick's Day and the Situation in Northern Ireland

March 17, 1983

For those of us whose ancestors come from Ireland and for those of us who share the spirit of Irish humor, hard work, and spiritual faith, St. Patrick's Day is a time of grateful celebration and much happiness.

Today is a time to honor and celebrate the enormous contribution to American life made by Irish immigrants. As frontiersmen in the American colonies and citizen soldiers in Washington's army, they helped found our Republic. Their ingenuity and effort built our economy, added to our spiritual values, and enriched our literature. Their humor enriches life's happy moments and makes life's setbacks more bearable.

And yet our joy is tempered by the tragedy that divides neighbor from neighbor in Northern Ireland. We deeply regret that some would use this day to enlist support for more violence and conflict on that small island which is so much in our hearts today. We cannot remain indifferent to the tragedy that confronts the people of Northern Ireland and which affects the Republic of Ireland, Britain, and their friends in the

United States. Those who advocate or engage in violence and terrorism should find no welcome in the United States.

We condemn all such acts and oppose the forces of discord in Northern Ireland, which obstruct the process of reconciliation so essential for peace. We ask all Americans to refrain from supporting, with financial or other aid, organizations involved directly or indirectly in perpetuating violence. And we urge that those Americans—and there are many—who wish to help, lend their support and contributions to legitimate groups and organizations which work to promote reconciliation and economic cooperation.

The United States Government continues to take specific actions to hasten an end to this violence and discord by:

- discouraging Americans from contributing to organizations engaged in violence;
- arresting and prosecuting those engaged in the illegal export of arms to those groups;

—confiscating weapons intended for terrorists.

Next to peace and reconciliation, Northern Ireland's greatest need is for jobs to bring hope and opportunity to all its people, especially the young. American companies which have invested in Northern Ireland already employ a significant percentage of its industrial work force, making a real contribution to its well-being. This administration will continue to encourage private investment in and the creation of more job opportunities in both Northern Ireland and the Republic.

We recognize that it is not for the United States to chart a course for the people of Northern Ireland, but we do have an obli-

gation to urge our longtime friends in that part of the world to seek reconciliation between the two traditions in Northern Ireland and accommodation through democratic means. Durable, equitable solutions and peace cannot be imposed by outsiders, however well-meaning. Our role, accordingly, is to support efforts by the people and governments directly involved.

So, on St. Patrick's Day 1983, let us all celebrate our Irish heritage in fine style. But let us also remember those in Northern Ireland for which 1983 is one more year of terrorism and dim economic prospects—and let us rededicate ourselves to helping to bring these twin evils to an end.

Remarks on St. Patrick's Day at the Irish Embassy March 17, 1983

The President. Foreign Minister Barry and Ambassador O'Sullivan, Excellencies, on this day that is so special to all Americans, but especially to the 30 million of us that take pride in our Irish heritage, I want to thank you for the hospitality that you've again offered me here at the Irish Embassy.

Like the seeds of the shamrock, Ireland has scattered its sons and daughters to the four winds, and everywhere they've taken root they've made a unique contribution to their adopted country. Here in America the men and women whose patron saint we honor today have made an immeasurable contribution to the development of this nation. Even the White House has not been exempt from Ireland's spell. Many of our Presidents traced their roots to Ireland, and I'm proud to trace mine to Ballyporeen in County Tipperary.

And our links to Ireland are many and varied. We're grateful for the closeness of our historic heritage, just as we respect the proud independence of today's Ireland whose troops have worn the blue helmet of the United Nations in so many lands, including service today with the UNIFIL forces in Lebanon.

I've previously spoken about our concerns over the violence in Ireland and do not

need to either elaborate nor in any way detract from what I and my predecessors in this office have already said, other than to emphasize again my support for a just and peaceful solution to the problems of Ireland and my strong condemnation of all acts of terrorism and violence. As I've said before, we believe that a lasting solution to the problems of Ireland can be found only in a process of reconciliation. And I again take this occasion on St. Patrick's Day to join with my fellow Americans who work and pray for an end to terrorism and violence.

The Bishop of Down and Connor, Bishop Daly, speaking at the funeral mass of Judge William Doyle, who was gunned down by the Provisional IRA on a Sunday morning as he left church in Belfast, told the assembled congregation, representing both Irish communities, "... we commit ourselves once more to work for peace and reconciliation. Our belief in peace is unshaken. Our hope for peace is irrepressible."

I'm told that in Armagh, the ecclesiastical capital of Ireland since the days of St. Patrick, that there are two great cathedrals on the hills of that town, each dedicated to St. Patrick. I understand that late last year the Archbishop of the Protestant Church of Ire-

land and the Primate of the Roman Catholic Church in Ireland, the incumbents of those cathedrals, came together in a spirit of brotherhood and reconciliation to jointly sponsor a town celebration dedicated to peace and harmony. It is that message that I wish my fellow Americans to hear on this St. Patrick's Day. I encourage Americans of all faiths to walk together in such a spirit of reconciliation, rejecting violence in any form.

Some few but vocal Americans believe that differences between Irishmen can only be solved by violence and intimidation. They are no friends of Ireland. They disgrace the principles for which both Ireland and America stand. I would urge my fellow Americans not to listen to such people. I know that Foreign Minister Barry joins me in calling upon people everywhere to turn away from the moral bankruptcy of the men of violence and to help or heed, in-

stead, the call for peace and reconciliation that is the true message which St. Patrick himself first brought to Ireland.

Foreign Minister Barry. My friends, can I ask you to join with me in a toast to the President of the United States of America.

Ambassador O'Sullivan. To the President of the United States.

The President. And, Mr. Foreign Minister, Mr. Ambassador, those of Irish heritage and those not so fortunate—[laughter]—would you join me in a toast to the President and the people of Ireland.

Note: The President spoke at 2:31 p.m. in response to remarks by Irish Ambassador to the United States Tadhg F. O'Sullivan and Irish Minister of Foreign Affairs Peter Barry, who presented the President with the traditional gift of shamrocks from Ireland.

Prior to the remarks, the President spoke by telephone from the Embassy with Prime Minister Garret FitzGerald of Ireland.

Statement by Deputy Press Secretary Speakes on Proposed Employment Legislation

March 17, 1983

The administration is pleased that the Senate has acted on emergency jobs legislation. The Senate and House bills both contain elements which are not completely satisfactory to the administration. We will continue to work with the conference committee in order to bring the final legislation

closer to the guidelines originally outlined by the President.

It is important that the legislative process be concluded quickly so that the full benefits of the legislation, including payment of unemployment insurance benefits, may be readily available.

Remarks to Reporters on a House Budget Proposal

March 18, 1983

The President. Good morning. I have a statement here.

I was pleased to welcome some leading Republican Congressmen this morning. Our meeting began on a very positive note, because we had more excellent news on the economy. The inflation figures announced today show that producer price inflation

over the past year has been cut by 80 percent from 2 years earlier. That's extremely good news, because it raises the purchasing power of every American.

In coming months, of course, the inflation figures may bounce around a little, but it's clear that we're finally breaking the back of inflation in the United States. And now that

it's down, we have to keep it down.

That was one of the main reasons I asked these Congressmen in this morning, because the Budget Committee in the House, controlled by the liberal wing of the Democratic Party, has just come up with a truly dangerous budget proposal. The so-called Jones proposal is a declaration of war against the commonsense principles that are now rebuilding America. This isn't a step forward, but a giant step backward into an economic quagmire.

I'm not going to sit still for a proposal that makes a huge increase in taxes, guts our defense program, repeals many of the overdue welfare reforms that we have enacted, and adds an incredible \$181 billion in domestic spending to what we've proposed. Clearly, this partisan Democratic budget is a dagger aimed straight at the heart of America's rebuilding program.

We've worked very hard over the last 2 years to reduce the growth of domestic social spending. The Democratic proposal would throw our budget savings out the window and turn the clock back to pre-1981 when domestic spending was soaring out of control and we had double-digit inflation and 20-percent interest rates.

We worked very hard to give the American people their first real tax reduction—a rate reduction in nearly 20 years. We wanted to permit citizens to keep more of the money they earn and to encourage them to save, invest, and help us increase worker productivity. All that's now happening. We're witnessing a renaissance in the values of thrift and enterprise. But the Democratic budget would crush the working people of America with \$316 billion in new tax increases over the next 5 years.

Repeal of the third-year tax cut and indexing would have little impact on the wealthy. But it would cost a typical median-income family of four \$3,550 in higher taxes through 1988. Nor would this tremendous tax increase reduce the deficit. To reduce the deficit, we don't want or need higher taxes. We need economic growth, a kind of growth that has already begun.

Finally, we've worked hard to begin the long, tough job of rebuilding America's defense security. And we're making progress. But the Democratic budget would cripple

those efforts, too, slashing our defense budget authority request by more than \$200 billion through 1988. Nothing could bring greater joy to the Kremlin than seeing the United States abandon its defense rebuilding program after barely 1 year.

Let me read you a statement that Harry Truman made in 1945 after he'd studied the reports on Pearl Harbor. He said, "... I came to the conclusion that the whole thing is the result of the policy which the country itself pursued. The country was not ready for preparedness. Every time the President made an effort to get a preparedness program through the Congress, it was stifled. Whenever the President made a statement about the necessity of preparedness, he was vilified for doing it." And being able to remember those times, I know he's exactly right in what he said.

I'd only add to what Truman said, that if we can't learn from the mistakes of history, as you know, we're bound to repeat them.

I'm asking the members of our party, responsible Democrats, and every concerned American to work with us in opposing the liberal Democratic budget. We've come too far and worked too hard to see the recovery now underway destroyed by a reckless return to the failed policies of the past.

Now, that's the end of the statement, but let me just say I am looking forward to—I think that—to face you here in the Press Room in which you can have a fling at questions. Next week—we haven't selected the day, but I'll be doing that. My schedule is such, however, that I am taking no questions, but Dave Stockman is here for all the details that you may have. And as you can see, he's got some of them here—color charts before you. So, Dave, if you—

Q. It sounds like you're getting ready to compromise on defense, Mr. President. [*Laughter*] You might have to say something to that.

The President. No, no. [*Laughter*]

Q. Forget about bipartisan cooperation, though, now with this—

The President. What?

Q. —with this rhetoric you've given, we can—

The President. I just asked for the knowl-

edgeable and responsible Democrats to join us.

Note: The President spoke at 12:02 p.m. in the Briefing Room at the White House. Fol-

lowing his remarks, David A. Stockman, Director of the Office of Management and Budget, gave a press briefing on the budget proposal.

Nomination of Maria Lucia Johnson To Be a Member of the Merit Systems Protection Board

March 18, 1983

The President today announced his intention to nominate Maria Lucia Johnson to be a member of the Merit Systems Protection Board for the 7 year term expiring March 1, 1990. She would succeed Ersu H. Poston.

Ms. Johnson is serving as a consultant to the Equal Employment Opportunity Commission in Washington, D.C. Previously she was a commercial loan officer for the Security National Bank in Anchorage, Alaska (1982); commercial real estate loan officer

for the National Bank of Alaska, Anchorage, Alaska, in 1981-1982; associate attorney in the Washington, D.C., law firm of Lambert, Griffin & McGovern in 1979-1981; and at the District of Columbia Department of Housing in 1978-1979.

She graduated from Howard University (B.S., 1969) and Georgetown University (J.D., 1975). She was born January 27, 1947, in Livorno, Italy. She resides in Washington, D.C.

Appointment of John A. Montgomery as a Member of the President's Cancer Panel

March 18, 1983

The President today announced his intention to appoint John A. Montgomery to be a member of the President's Cancer Panel for a term expiring February 20, 1986. He will succeed Harold Amos.

Since 1981 Dr. Montgomery has been serving as senior vice president and director of Kettering-Meyer Laboratory at the Southern Research Institute in Birmingham,

Ala. He joined the Southern Research Institute in 1956 as director of organic chemistry and became vice president in 1974.

Dr. Montgomery graduated from Vanderbilt University (A.B., 1947) and the University of North Carolina (M.D., 1951). He is married, has four children, and resides in Birmingham, Ala. He was born March 29, 1924, in Greenville, Miss.

Remarks on Signing the Annual Report on the State of Small Business

March 18, 1983

The Vice President and I have been in a meeting, and we raced over here. But I think that, based on my previous experi-

ence in situations like this, I'm going to have to give lessons in padding your part. [Laughter]

But I'm sending to Congress today our second annual report on the State of Small Business. The report was prepared by the U.S. Small Business Administration, which, under the leadership of Jim Sanders—and Frank Swain is doing more than ever to assist and counsel America's small business men and women. I really think that that line should be: the men and women of America's small business.

But I'd also like to introduce Faith Whittlesey, my new assistant for public liaison. Would you stand up and—[*applause*]. Faith will be the small business contact here at the White House. She's replacing Elizabeth Dole, and I know she'll continue the good work that was done by Elizabeth and Wayne Valis.

Before I describe the report and our administration's efforts in behalf of small business, I'd like to thank SCORE, the Service Corps of Retired Executives, for their fine example of volunteer spirit. And I'm glad that the SCORE association board of directors could be with us here today. The 12,000 retired executives they represent volunteer hundreds of thousands of hours each year to help small business people. Last year alone they assisted nearly 130,000 businesses nationwide and in Guam and Puerto Rico and the Virgin Islands, and they all—they deserve our thanks, all of them.

The report that I sign today proves once again that the millions of small businesses and the people who run them are vital to our economy and economic growth. They carry on a tradition dating to the foundation of our country—a tradition of national strength deriving from the ingenuity, the independence, and individual liberty of our people. Our small business owners demonstrate through free enterprise that our national well-being is dependent on individual freedom to pursue our hopes, our dreams, and our creative ambitions.

As the report shows, small businesses contribute significantly to our daily lives. Almost half of all private employment is in small firms, and small businesses create more than half of all the new jobs and are an important source of new products and technologies. As business and civic leaders in their home States and towns, small busi-

ness men and women improve the quality of life for all Americans.

Our economic recovery program was designed to strengthen the contributions of small business by reducing the heavy economic burdens weighing it down: runaway inflation, high interest rates, high taxation, and excessive regulation. We already have accomplished much, and I'm confident we'll see more progress in the months and years ahead. But if our economy and our people are to continue to climb out of recession, we must not tolerate any backsliding in the Congress. We must assure an economic climate in which America's small businesses can grow and prosper. If the Congress will work with us to do what is right and necessary, we can keep America on the upswing, ushering in a bright new age of lasting prosperity to outshine any other in our history. And that is the goal.

Already the inflation, which had driven up small business costs and eroded profits, has dropped to a third of its former rate. For the last 6 months, inflation has risen at an annual rate of only 1.4 percent, the lowest 6-month rate in 18 years.

The towering interest rates that once forced so many small businesses to close also have dropped dramatically. The prime rate, as high as 21½ percent 2 years ago, is 10½ percent, and we'll get it lower.

Far fewer regulations are being imposed on small business as we've cut regulatory growth by a third. And that's under a task force headed by the Vice President.

We've broken through tax barriers to capital formation and investment, and virtually eliminated estate taxes for a surviving spouse. And our tax indexing provision on individual tax rate cuts will make it easier for small business owners to fund and maintain their companies. These tax reforms are designed to spur saving, investment, and productivity.

There's an old economic axiom, still true today, that says, "If people are not allowed to earn more by producing more, then more will not be produced." Well, that's why our tax incentives are critical to recovery. And we will not abide any tampering with them. The third year of the tax cut, scheduled to take effect in July, and tax

indexing will benefit small business people and average working families the most. Their repeal would be a cruel blow, an unfair attempt to steal the just rewards of those Americans who've carried us through recession into recovery.

The Export Trading Company—and incidentally, I mean it when I say we won't tolerate it. I will veto any attempt to get rid of those two tax cuts.

The Export Trading Company Act I signed last fall will also help small firms compete in foreign markets. And the Small Business Innovation Development Act, which I signed last July, will direct more Federal research and development funds to small high-tech firms, the enterprises that always have been leaders in innovation.

One of the reforms I'm proudest of is the requirement that Uncle Sam pay his bills on time or pay an interest penalty. This obvious and overdue improvement in the way Government does business will help the many small firms with Federal contracts. And speaking of doing business with the Federal Government, we've expanded the amount of Federal procurement going to small business, especially firms owned by minorities and women. Last year almost \$45 billion in Federal procurement went to small companies, and that's an alltime record.

As you can see, this administration is dedicated to restoring and preserving a free-market environment in which small businesses can grow, create jobs, and earn the healthy profits that benefit us all. We can do this only in an economy free of inflation's scourge, with monetary and fiscal soundness, and a rational regulatory policy.

But already, liberals in the House have proposed a budget that would undermine the improving economy with a frontal assault on the policies that have gotten America on the mend. Unable to break their spending addiction, these Members have proposed reversing the hard-won, domestic spending cuts achieved during the last 2 years. Money for these excesses, they claim, can be found by slashing our defense program to dangerous levels and engorging the tax share of our gross national product to the highest levels in history. Such a plan not only would gamble with the security of the

United States, it would plunge us once again into the no-man's land of spend and spend and tax and tax. We must not permit them to drag us back into that swamp.

America has taken its first cautious steps toward recovery. There is no doubt about that. Our progress will grow more bold and dramatic in the weeks and months ahead, but only if we hold fast to the economic policies that have gotten us this far.

And as this report indicates, small businesses have an important role to play. Recent surveys show strong optimism in the small business community. Owners are again planning new purchases, inventory development which will fuel the recovery. Many millions of our people dream of working for themselves and running their own businesses. It's risky to be sure, as you well know. But those dreams reflect the imagination, the daring, and the creativity that has brought so much progress and made this Nation so great.

Theodore Roosevelt was right when he said, "It is our duty to see that the wage worker, the small producer, the ordinary consumer, get their fair share of the benefit of business prosperity. But it either is, or ought to be, evident to everyone that business has to prosper before anybody can get any benefit from it."

Well, generation after generation of hard-working Americans have understood that truth and used it to build the most prosperous nation on Earth. As I sign this report today, let us remember that success for small business and for America is one in the same.

I call on the Congress to work with us to hold down spending and protect the people's tax cuts. Let us remember that prosperity, like profits, must be earned. It'll never come as a gift from government or anyone else. If we return incentives to risk-takers and entrepreneurs, we'll free our people to create good times ahead, restoring hope and opportunity for everyone.

And now, I am going to quit talking and start writing, and send this to Congress—this State of Small Business report.

[At this point, the President signed copies of the report for transmittal to the Senate and House of Representatives.]

I know I won't be a success until you can't read my name. [Laughter]

Thank you all very much.

Note: The President spoke at 2:40 p.m. at the signing ceremony in the State Dining Room at the White House.

Annual Report to the Congress on the State of Small Business March 18, 1983

To the Congress of the United States:

Small businesses represent an important part of the American economy. The efforts of men and women who operate small businesses are vital to the Nation's economic growth. As documented in the attached Report, small businesses have performed relatively well during the recent recession. As the economy continues to recover, small business has a vital role to play. My Administration's economic program will enhance the ability of small business to meet these challenges.

Small businesses can make several important contributions to economic recovery. About forty percent of private sector employment is in small, independently-owned businesses. We need to recognize the small business role in our economy, particularly in job creation. This is especially important in light of current high levels of unemployment.

Small businesses are important sources of product and process innovations. Small business efforts provide needed flexibility for our economy to meet foreign competition and changing economic realities. There exists a great reservoir of export potential in the small business community and we need to make greater efforts to use that resource.

Inflation, high interest rates, excessive taxation, and burdensome regulation are serious problems for small business, and their abatement has been the key goal of my economic program. While we have made much progress on these fronts, our most important small business priority remains the assurance of an economic climate of opportunity for small businesses to grow and prosper.

In the past year we have undertaken several important initiatives responsive to

small business concerns:

- Inflation, which for the past 10 years has increased small business costs and eroded profit margins, has been cut to about one-third of the rate in effect the year before I took office.

- The Federal government is imposing fewer regulations and less paperwork on small business, and agencies are working with the Regulatory Flexibility Act to minimize the burden of regulations on small firms.

- Tax barriers to investment in small firms have been reduced. I supported and signed legislation to reform Tax Code Subchapter S, making it easier for new, small corporations to enjoy the benefits of limited personal liability for corporate debts, while being subject to individual income tax.

- Reforms of the estate tax law, indexing of tax rates, and cuts in individual tax rates all make it easier for owners of small businesses to build and maintain their operations.

- With the enactment of the Small Business Innovation Development Act of 1982, P.L. 97-219, major Federal agencies are now required to dedicate more of their research and development budgets to small businesses.

- With the enactment of the Export Trading Company Act, small- and medium-sized manufacturers will be able to compete in foreign markets on an equal footing with their competitors in other countries.

- We have eliminated a major barrier to small business involvement in Federal procurement—the government's habit of paying its bills late. With the enactment of the Prompt Payment Act, P.L. 97-177, the Federal government must now pay its bills on time or be subject to interest penalties.

- The purchase by the Federal government of goods and services from the private sector should utilize efficient and able small firms to the extent possible and practicable. As detailed in the Report which follows, we have expanded the amount and proportion of Federal procurement from small, minority, and women-owned firms.

Creating an environment that permits small business to grow, create jobs and earn a profit requires continued efforts that include monetary soundness, reduction of Federal spending, and more rational Federal regulatory policy. There are several specific policy initiatives that we are pursuing toward this end:

- The Social Security System must be sound. The recommendations of the Bipartisan Commission provide a plan that is fair to the retired as well as to the workers and the employers who must share in the tax burden. We must not assume that employers who create jobs have bottomless pockets to support an unreformed system. Thus, we support the National Commission's balanced package to assure solvency of the Social Security System.

- We will vigorously pursue Federal enactment of enterprise zone legislation to encourage the location of business, large and small, in designated areas where growth has lagged. We will ensure that enterprise zone incentives are meaningful to small firms so that their prospect for growth is high.

- Worker retraining will be important to many of our unemployed who are caught in the shift of our economy away from some of its traditional industrial patterns. Small firms are leading that shift, and we must utilize the expertise and judgment already available in small firms. The Congress should enact my proposed jobs tax credit for the long-term unemployed. This will increase the incentives for employers to hire new workers.

- We must continue to pursue regulatory reform through Congressional and Administration action. The Clean Air Act, the Clean Water Act, and the Resource Conservation and Recovery Act all need Congressional reauthorization. We must ensure that a proper balance is set between the costs of

regulation and foregone opportunities to small companies and the environmental standards which our society demands.

- The effort to reduce and reform outmoded and unnecessary government regulation must continue. We have made significant progress in slowing the growth of regulation, and must reinforce our efforts to reduce existing regulatory burdens, especially those that disproportionately undermine small business opportunities.

- Our government policies on procurement must be administered so as to utilize the best that small firms have to offer in goods and services. The role of government should not include performing services and activities that can effectively and efficiently be carried out by the private sector, and we will work for policies which increase reliance on the private sector.

The central parts of our economic programs are in place and the recovery has already begun. The flexibility and the energy that enable our economy to recover in situations such as this are found in great doses among small businesses. To help small business realize its full economic potential, I am calling upon the Congress and upon the members of my Administration to be always mindful of the important role small business plays in our economy.

This statement and the following *Report* are the second I have presented to Congress as required in Title III of Public Law 96-302. I believe that our continued efforts to explore and understand the importance of small business to our economy will lead us to join together to pursue policies which will foster the growth of this critical sector of the American economy.

RONALD REAGAN

The White House,
March 1983.

Note: The report is printed in "The State of Small Business: A Report of the President—Transmitted to the Congress March 1983, Together With the Annual Report on Small Business and Competition of the U.S. Small Business Administration" (Government Printing Office, 370 pages).

Radio Address to the Nation on a House Budget Proposal *March 19, 1983*

My fellow Americans:

Tomorrow at 11:30 p.m. is the first day of spring, and it coincides with an important change in our economy. A season of hope is giving way to a season of progress. We're seeing the proof that our great national struggle to make our economy well again is beginning to pay off. Yes, we have a long way to go, but factories are reopening, workers called back, production in housing, autos, and steel picking up, and new breakthroughs in high technology busting out all over.

America is moving forward. The economy is growing stronger—and stronger than most people, including ourselves, predicted.

The question is no longer will we have recovery, but how long will recovery last? It's been nearly 20 years since the United States enjoyed a long-lasting economic expansion that didn't trigger ruinous inflation and high interest rates. We're trying to build that kind of recovery now. We can have it if we stick to common sense and don't go back to the big spending and taxing addiction that brought this economy to its knees in 1980.

Unfortunately, it's still true that the more things change, the more they stay the same. America is on the mend, but this recovery could be stopped dead in its tracks if big spenders in the Congress have their way. I was greatly encouraged when we had some bipartisan success on a couple of sticky problems. But unfortunately, those who place their faith in big government and heavy spending reverted to type.

Right now, House liberals are pushing a budget—the so-called liberal Democratic budget—that, if implemented, would reverse the progress we've made and wreck our program to rebuild the economy. They want to throw out the window much of the domestic budget savings we've achieved over the last 2 years. And they would go much further, seeking \$181 billion in higher domestic spending over the next 5 years, excesses that would send the budget, prices, and interest rates soaring out of con-

trol and our economy into a tailspin.

To cite just one example, Medicare would be driven into bankruptcy by the failure of their budget to address its problems. Our proposed budget meets the needs of our people without bankrupting the system.

Now, how do they propose to pay for their reckless binge? Two ways: by compromising America's defense security and by slapping massive new tax increases on every working family. Ignoring the Soviets' tremendous advantage in military forces, the liberals would cripple our efforts to modernize America's defenses. To put it bluntly, their budget gambles with our security and safety. Their proposed \$163 billion cut in defense spending over the next 5 years would put the United States right back in the position of military vulnerability we were in after a decade of neglect in the 1970's.

We were shocked to learn when we got here that we had so many ships that couldn't leave port, planes that couldn't take off, and helicopters that couldn't stay aloft—all of this because of our lack of spare parts, sometimes of crew, inability to keep things repaired, or shortage of fuel.

We've begun to do something about that, and we've made real progress with our investment in peace through strength. But passage of the liberal budget would seriously undermine our rebuilding progress. Here are just some of the things that we might have to do if they have their way: deactivate one active and one reserve division; decommission one entire carrier battle group and some two dozen other ships; deactivate three Marine Corps fighter squadrons; deactivate two active and two reserve Air Force tactical fighter wings and six continental U.S. air defense squadrons; terminate major weapons programs from each service; sacrifice hard-won gains in readiness and sustainability by cutting our budgets for major repairs and ammunition by 25 percent and by cutting back on troop exercises and training.

Such cuts would send the worst possible

signal to the Kremlin. They would remove Soviet incentives to negotiate arms reductions with us because we'd be telling them, "Stand firm, the United States will disarm itself."

Remember, they would do this on the pretext of reducing the deficit. They would really be doing it so they could increase spending on other things by \$181 billion.

The other part of the liberal budget is a huge \$315 billion tax increase on wage earners. And here, too, they would pretend to reduce the Federal deficit, but by putting you deeper in the hole. That never works, and nothing could be more unfair or less compassionate. Their unfair tax increases would put a choke hold on Main Street America. They would eliminate the third year of your tax cut, which provides maximum benefit to families earning between \$10,000 and \$50,000, the very same families they claim we're hurting. But they are the families who will benefit most by the July tax cut.

They also want to eliminate our historic reform of tax indexing. Indexing will protect you from being pushed into a higher tax bracket when you get a cost-of-living raise. Indexing prevents government from stealing a greater percentage of your earnings and leaving you with less purchasing power. And indexing helps low- and medium-income wage earners the most for one simple reason: The rich are immune to

bracket creep. They're already in the top tax brackets. Indexing won't help them a bit.

Attempts to take away the third year of your tax cut and indexing are simply gimmicks so they can spend more of your money. A typical median-income family would have to pay \$3,550 in higher taxes through 1988.

The people who want to do this are the same ones who left us with 12.4 percent inflation in 1980 and the highest interest rates in more than 100 years.

Well, let me make one thing plain: After all our national struggle to reduce inflation, to begin controlling a government which grew bloated at your expense, to bring down interest rates and make the dollar worth something again; after helping you to increase personal savings, worker productivity, and our industrial and military strength; after winning the fight to lower your taxes so we could restore hope and build new incentives into the economy—after all these hard-won victories earned through the patience and courage of every citizen, I don't want America's recovery and security to be sacrificed on an altar of discredited hand-me-down theories. And if you'll help us, they won't be.

Till next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Interview With Henry Brandon of the London Sunday Times and News Service on Domestic and Foreign Policy Issues *March 18, 1983*

Queen Elizabeth II

Mr. Brandon. Well, you have spent, perhaps, more time than any previous American President with our Queen, and I was wondering what interested you most about her.

The President. Oh, well, there was no surprise, first of all. Nancy had, as you know, been in her presence a great deal. She was there for the wedding. And then her gra-

cious invitation to us at Windsor, our ride together and all there, so it wasn't any surprise that—it was only just reinforced and strengthened as to what a truly fine and gracious lady she is. But I think so unlike what most people would have of a concept of royalty. But she's a delightful person.

U.S.-Soviet Relations

Mr. Brandon. If I may switch to a differ-

ent subject—your Orlando speech. In your Orlando speech you talked about the confrontation of the United States and the Soviet Union as a confrontation of good and evil, and darkness and light. And that gave the impression, at least, that there is really no logical conclusion except war and that reconciliation would be very difficult between the two powers. And I'm just wondering how you reconcile that outlook with your aims for peace.

The President. Well, Henry, I don't think that those who were there and heard the entire speech would take it that way. I think it is somehow lifting that out of context—of this line and this description as the focus of evil and so forth. Certainly their entire beliefs, beginning with the disbelief in God—their entire beliefs are so contrary to what we accept as morality. Witness a Kampuchea and an Afghanistan and so forth.

But no, what I was pointing out there, and I still believe is time-tested and proven, is not the inevitability of war, but a recognition and a willingness to face up to what these differences are in our views and between us, to be realistic about it.

But let me just point out a couple of things. We've seen, under the guise of diplomacy and détente and so forth in the past, efforts to kind of sweep the differences under the rug and pretend they don't exist. I have stated, very frankly, what I believe the differences are, but at the same time, I have expressed my determination and my belief that peace is achievable. I'm very concerned with those people who somehow seem to think—without their realizing they're thinking them—that they're building in their mind a kind of "war is inevitable". I can't subscribe to that at all.

But look at the proof the START negotiations. They have already come down to a lower figure for weapons than was supposed to be the great triumph in SALT II—several hundred, they've agreed to, less than the SALT II treaty. In the INF, they came immediately to the table, no objecting, no protesting, to negotiate, and while their offer was not acceptable because of some other terms, from some 350-odd SS-20 missiles they made a proposal that brought them down to 162.

So, I think that this just proves that maybe being willing, frankly, to recognize the differences between us and what our view is has proven that it's successful.

Strategic Arms Reduction

Mr. Brandon. Talking about missiles, a number of European leaders, from Mrs. Thatcher to Chancellor Kohl, have been trying to persuade you to put forward a new initiative of an interim solution—still with the zero option as the ultimate goal—but to come forward with an interim solution. I gather that you are very seriously considering such a move.

The President. Well, let me say that, Henry, this is a difficult thing to answer. And I'm sure they know this also. Because we do stay in constant consultation, and we aren't going to do anything without continuing consultation with them. And I must say they have all expressed great appreciation for the fact that unlike some previous times when we acted unilaterally, that we do recognize our responsibility as allies.

The difficulty in answering is, when you're at a negotiating table—and off and on I spent about 25 years in labor-management relations at a negotiating table—you can't talk openly about your strategy or what you're going to do. But I can only point to this fact, that from the very beginning when I announced the total elimination, the zero option, I said at the same time we will negotiate in good faith any legitimate or reasonable proposal, and that remains true today. But to get into a discussion of where you're going or what you're going to do, that just is bad negotiating strategy.

Mr. Brandon. Yeah, but haven't these European leaders already, more or less, laid their cards on the table?

The President. Except that all of them are still openly supportive of our deployment of missiles, our own missiles there, as was originally decided in 1979. So, that's a little different than advocating a position and wanting an open agreement. If you ever did such a thing, that, then, becomes the beginning point for negotiation. Our beginning point for negotiation is total elimination.

Mr. Brandon. Well, I understand that there are two views, more or less, two views in the administration—one that feels that you should wait until the missiles are beginning to be put in place in Europe, because then the Soviet Union will be under pressure to make concessions, or that you should come forward with your own initiatives—take the lead and come forward with something that proposes equality but is something less than zero-zero option.

The President. Well, again, as I say I mean, Henry, I don't think that there are any divisions in the sense that splits here, and one faction against another faction on this. Obviously, in discussing all the ramifications, there are going to be people with different ideas than others and a variety of viewpoints as to timing or numbers or things of that kind. There is one thing in which we're in total agreement on, and that is that the ultimate goal should continue to be the zero base, the elimination of that whole class of weapons, for the sake of the world if nothing else. We're also in agreement on the fact that there must be no change in our plan to begin deployment on schedule.

Mr. Brandon. But can you tell me in which direction you lean, for instance, because the Dutch Foreign Minister—[inaudible]—the Dutch Prime Minister, who saw you the other day, and made some—after he had left you, indicated that you are going to come forward with a new initiative.

The President. Well, no, what I said then, and what I have just said here, is we have announced our ultimate goal and we will, as I said from the very first—we're ready to negotiate in good faith any reasonable proposal or suggestion on the way to the ultimate goal.

U.S.-Argentine Relations

Mr. Brandon. I understand that you're beginning to come under pressure to—I'm now talking about U.S.-Argentine relations—to give the kind of certification that would be necessary for the United States to sell arms to the Argentine again.

The President. No proposal or no discussion has been held with me at all on any such subject. We're watching, of course,

very closely. From the very first, as we've always hoped, we'd hoped that there will be a peaceful resolution of that problem.

Mr. Brandon. What would you advise now in terms of the next step? [Laughter]

The President. Well, I think that would be a little presumptuous. I think this is—as a result of the action taken there, this is something to be determined between the United Kingdom and Argentina.

Mr. Brandon. But you're not planning to play the role of the mediator as you did during the war?

The President. Only to the extent that someone would ask our help—if we could be helpful. We'd be pleased to, anytime, if we might lend aid to bring about peace.

The Middle East

Mr. Brandon. You've now had talks with King Hussein, with the Foreign Ministers of Israel and Lebanon. I wonder, how do you foresee, now, the situation developing? Do you foresee that negotiations of your own plan will perhaps begin soon?

The President. Well, I'm very hopeful. I think that we have made some progress toward the first step that we believe is absolutely necessary, in getting into that, and that is the withdrawal of all the foreign forces, the PLO, the Syrians, and the Israelis from Lebanon and give the new Government of Lebanon a chance to establish its own sovereignty and heal the wounds that have been open there for so long—the factionalism and so forth. I think that's absolutely vital, and we want to cooperate in any way we can to help bring that about. As I say, Foreign Minister Shamir has been here, and then the Foreign Minister of Lebanon, Salem, and the really senior statesman, elder statesman there, Salaam, the former Prime Minister. And we continue—Phil Habib¹ is going back now again—we continue to try and help them work toward an elimination of the differences. And the differences have grown less. So, as I say, we're optimistic. And then I believe that once that's accomplished, that Hussein will offer himself as the negotiator to then con-

¹ *The President's Special Representative for the Middle East.*

tinue the peace negotiations involving all the other Middle East problems.

Mr. Brandon. After the Lebanese situation has been resolved?

The President. Yes.

Mr. Brandon. You know there are a lot of Middle Eastern experts, or so called, who believe that unless you put certain pressures on Israel, there will be no moratorium on the building of settlements in the West Bank. How do you feel about that?

The President. Well, the West Bank—there certainly is no illegality to the building—that based on the Camp David agreement and the period of discussion that was supposed to then take place, with no one having a claim for or against doing such things. This, of course, would be where the negotiations then would begin toward the real peace negotiations with, presumably, King Hussein involved in those negotiations. And I think, as I've said before, that what really has to be resolved is the—an arrangement involving, on one side, land—territory—and on the other, the need for security. And this is what has to be worked out. That one can find the Israel—have the security—that they don't have to remain an armed camp at the great expense that it has been to their economy. And this is going to take compromise with regard to territory—on the other side—and resolution of the Palestinian problem which—you've got a great many human beings there that you just can't pretend they don't exist.

Mr. Brandon. I mean, do you think that, in spite of what Prime Minister Begin has said in public, that, as you say, a compromise is possible without your exerting sufficient pressure?

The President. [Inaudible]—that's the reason for the negotiations. And again, just as I was talking about our own negotiations, with regard to arms, negotiations sometimes in labor-management may describe it. They've been presented as one side asks for the moon and the other side offers green cheese. And they then talk their way to a point between those two extremes and settle it.

Administration Objectives

Mr. Brandon. Mr. President, I know you're not talking about your future plans,

but if you decided to run for another term, what would be your objectives—that you feel you haven't been able to achieve in the first 4 years—for the next round?

The President. Oh, I think we have a long way to go in two major departments. One of them, the restoration of our ability to be secure nationally, field a national defense and so forth, and the other, however, is the economic situation. Now, so far, we haven't begun to get all that we asked for in our plan. But I think that now, after all of the criticism and all of the sniping and all of the sneering at what they called Reaganomics, there is so much evidence that the plan, even partially employed, was successful, that I'm beginning to wonder if they won't decide to look for another name, rather than Reaganomics, now that it's going to be a successful plan and not a failure—but that the economy is looking ahead for the balance of this decade to get back to a balanced budget. And I would still like to see that then affirmed in the Constitution, so that we can never again go down that road that we have in these last few decades. That we can begin paying back on the national debt, reducing that—when you stop to think that the interest alone on our national debt is greater than the total cost of the United States Government not too many years ago. To do that, and to recognize that there is a certain level as to the percentage of gross national product that government takes for itself and takes from the people in taxes, that if you go beyond that level, you then do disrupt the economy and cause the kind of problems that we've had.

To eliminate totally inflation—the world has been going through the longest sustained period of inflation in the history of mankind. And this recession is worldwide, and that is a great danger. This country can actually affect the economy worldwide. And I think our conquering, so far—not completely conquered, let us say our winning over inflation so far—to take it down from double digits, from 12.4, sometimes reaching as high as 13–14, to where for the last 6 months it's only been running 1.4 percent. But the job isn't going to be finished for awhile.

As you look at the projections out

through the years, there is a lot yet to be done. But we have embarked on a different course. I can remember when the people on our side, the Republicans—and you realize I'm talking the party not personal—over these years what needs to be done, the Republican Party and the Democratic Party, the debate they engaged in was kind of a rearguard action on the part of the Republicans against the ever-increasing desire of government to spend, to intervene in the marketplace, to become even more powerful, and thus eventually oppressive on the people—much of what you've seen happen in your own country. The debate today in government is not that debate anymore—of the trying to hold back on that increase. The debate is both sides agreeing to reduced spending and reduced government, and the argument is only about how much to reduce it. And I think that's quite a triumph.

International Economy

Mr. Brandon. I wondered, because of the decline in the oil price that would be little will benefit to the majority of countries in the world, but it will be to the detriment of two or three countries, like Mexico, Nigeria. I wonder whether you've at all considered the possibility of taking the advantages that the majority of the countries have accrued to them—could be used to sustain and help the countries that are suffering from the decline of the oil price.

The President. Well, we have been of help, and we have been with our contributions to the international banks, those funding agencies, but also in direct help. For example, as I told our friends and allies in the summit meeting at Versailles—the discussion of the Third World and our view is that you help them develop their own economies, not constantly be mendicants with their hands out waiting for someone to give them something. We, every year, buy more of the production of those countries than all the rest of the world put together. And we think that this is the way to go. We think, also, that if we are able to alter the economic situation, that some of those same countries have the highest rates of inflation in the world, and thus even though it's going to be—there's going to be a tempo-

rary readjustment with those reduced revenues. But if on the other hand, for the whole world economic picture—they see their own costs going down, this will serve to make that adjustment for them, and they too will wind up better off. But, no, we're not going to retreat from the help that we've been able to give, and as we resolve some of our own problems we're able to help more.

Mr. Brandon. Do you think there is a need for reviewing the possibility of a new international monetary system?

The President. I can't say that I have a hard and fast view on that. I think it is something for all of us to look at. Maybe that'll be one of the subjects of discussion in the Williamsburg summit this spring.

Mr. Brandon. But do you think that the world situation makes such a revival of some new system desirable?

The President. I can't go that far. I can only say that I think we need to look at it. I don't believe that the monetary system has been the disruptive factor in bringing on this economic recession we've been in. I think inflation is what led to the high interest rates. The lender has to get back—when the loan is repaid—he has to have gotten back, in interest, all the depreciated value of the money that he loaned that is going to be repaid—paid back in inflation in money of lesser value than when he had loaned it. And so, up go the interest rates. I think right now they're higher than they need to be—the real interest rates. I think what we're seeing, because of our own rate of inflation—they should be much lower—but I think what we're seeing is timidity. They're not quite sure yet that we're going to stay the course and that this is going to continue. They've been through, well, in our own country, seven recessions—I guess this one's number eight—since World War II, and every one of them, as they came out, resulted in higher inflation and each time higher than the last, so that we've been on an ever increasing scale that way.

I think that there is beginning to be this confidence that this time the recovery, that we're bringing about, is based on sound economic policies and not artificial stimulants. When they're aware of that, I think

we'll see further reductions in the interest rates and, as a result of that, we'll see further prosperity.

Views on the Presidency

Mr. Brandon. You, after 3½ years in office, you look younger than perhaps when you entered. And I was wondering, what is the secret of your pacing yourself?

The President. Well, for one thing I recognize that it would be awfully easy—I've always been an outdoorsman, to use that expression, always, living in California, been able to get to our ranch, ride a lot, and so forth. But it would be very easy here to sit at that desk, and you go home in an elevator—[*laughing*]—at the end of the day, and come back to work in an elevator. It's very difficult to get outside at all. It would be very easy to let that become your lifestyle, but fortunately we resisted. And we have a little gymnasium upstairs there, and I have a daily routine that we work out at the end of every day. And, frankly, I have to say physically I think I feel better than I did a couple of decades ago.

Mr. Brandon. Marvelous. Do you feel, I mean as you've described it a little now, do you feel a bit insulated here in the White House?

The President. Not as much as people think. You're insulated in the sense that if you decide to leave the grounds you're a group—[*laughing*]—quite a group. You can't just go out and walk down the street and drop in at a drugstore for a bottle of aspirin or something. But on the other hand, you have much more contact with people than anyone is inclined to believe.

First of all, you're surrounded not just by senior staff but by an awful lot of people who work in here in different capacities, and you get to know about their families and their problems and so forth. But also the effort that I make to get out, when you go out on, say, a speaking engagement or something like the Orlando trip that you mentioned, you have a contact with people. I stay in touch with all the people that I knew, and having a ranch is another way, because there's a whole circle of acquaintances and people and workmen and so forth that—

Mr. Brandon. How many telephone calls

do you take a day?

The President. Well, I'm available. Maybe I make more than I take. And that is another thing: People that I've known back over the years and former schoolmates and so forth, I stay in touch with both by correspondence and the other. And then I've done something that I did when I was Governor. I realize I can't read all my mail—several hundred thousand letters a month. But I instructed there, and I've instructed here—a very wonderful lady there in charge of that mail department does a good job of knowing the kind of mail that I want to see—and not just the friendly letters; the ones that've got a challenge in them and so forth, letters from young people and so forth—and constantly sends me a representative sampling of the mail. And not only for me to read, but usually the letters she's picked, I answer myself. So, I don't feel out of touch.

U.S.-Soviet Summit

Mr. Brandon. Do you foresee a meeting with Mr. Andropov sometime this year?

The President. Yes. I can see that. I think what I would resist is a kind of get-acquainted meeting just to have a meeting because, I think, such a meeting raises people's expectations so high that then we'd just be able to say, "Well, we got acquainted and said 'hello'" and not have any result.

But we are in touch constantly, we're not out of touch with the Soviet Government, and we are seeking areas where we can put together a meeting in which could be beneficial to both sides.

Mr. Brandon. But you're not making any preconditions; what you want, really, is just preparation, isn't it.

The President. That's right. No, you never have such a meeting with a precondition on what's going to result. You can have—determine in advance the subjects that you think should be discussed between you.

Mr. Brandon. Do you think it will be in the fall?

The President. I can't honestly say whether it be this year or next. I know that there are no plans immediately or in the near future for one. But I would expect that

there would be such a meeting before the first term is out.

Mr. Brandon. Mr. President, I don't know whether my time is up.

The President. I think we're getting signals that it is. [Laughter]

Mr. Brandon. But I very much appreciate it—your finding the time for me.

The President. Well, listen, I'm pleased to do it.

Mr. Brandon. And I wish you the best of luck, much success, for the rest of your term.

The President. Thank you very much.

Mr. Brandon. I hope you'll decide to stay on. [Laughter]

The President. I can't answer that. [Laughter]

Mr. Brandon. I know, you don't.

The President. Well, it's good to see you.

Mr. Brandon. Thank you very much.

Note: The interview was conducted in the Oval Office at the White House.

The transcript of the interview was released by the Office of the Press Secretary on March 21.

Remarks and a Question-and-Answer Session With Reporters on the Nomination of William D. Ruckelshaus To Be Administrator of the Environmental Protection Agency March 21, 1983

The President. Good morning.

Over the past week, it has become crystal clear that there is one man in this country better qualified than anyone else to take charge of the Environmental Protection Agency. And today, I'm pleased to announce my intention to nominate that man, William D. Ruckelshaus, to become the next Administrator of the EPA.

No one could bring more impressive credentials to this important job than Bill Ruckelshaus. He has proven his ability and integrity as Deputy Attorney General and as Acting Director of the FBI. As the first Administrator of the EPA, he played a critical role in shaping and launching the Agency. He is staunchly committed to protecting the Nation's air and water and land.

I have given him the broad, flexible mandate that he deserves. Bill Ruckelshaus will have direct access to me on all important matters affecting the environment. I've also authorized him to conduct an agencywide review of the personnel and resources to ensure that the EPA has the means it needs to perform its vital function. And I've urged Bill to run an open, responsive operation, a goal that I know he shares with me.

Let me add a personal note. Back in the early 1970's, as Governor of California, I

had the opportunity to deal personally with Bill Ruckelshaus as Administrator of the EPA. We were rightly proud of our State's environmental record, and in many ways, California led the Nation environmentally. But there are always going to be some things that could stand improving, and there are always bound to be some differences in policy and perspective between State and Federal authorities. In reconciling those differences, in enforcing the law, and in creating a constructive working relationship between his Agency and its State counterparts, Bill Ruckelshaus deeply impressed me. He was tough, fair, and highly competent.

Now, I'm proud of my environmental record as Governor of California, and I deeply believe that this administration has done a good job over the past 2 years. But I also believe that we can do better, and that after the dust settles and the country sees Bill Ruckelshaus at work in the EPA, our people will recognize that this administration's commitment to a clean environment is solid and unshakeable.

This nomination is, of course, subject to Senate confirmation. But I want to make it clear today, as this process gets underway,

that Bill has my complete and unqualified support. He's the right man for the right job at the right time.

So, Bill, welcome aboard. And now I know you have a few words of your own to say.

Mr. Ruckelshaus. Thank you very much, Mr. President, for your kind remarks and for your expression of intention to nominate. That, of course, is dependent on my clearing all the various reviews that have to occur over the next 2 or 3 weeks before I will be able to actually get over to EPA and take charge.

And I witnessed—from the Pacific Northwest—some of the problems that my old Agency has had. And needless to say, I witnessed that from afar, and it did not occur to me until very recently that I would have anything to do about it. Last week, Mr. President, you asked me to consider helping out. And it's my belief, as a citizen of this country, if the President of the United States asks you to assist on a matter that's important to the country, you have an obligation to take that request seriously.

Naturally, it was sudden. The reason it has taken me 3 or 4 days to come to an affirmative decision on this request is because of the personal considerations involved. I had to discuss this at some length with my wife and family. And after having done so and resolved all those problems, and having discussed with the President, with Mr. Meese, and Mr. Baker their commitment to the environment, their commitment to the goals of this Agency, and the kind of support that the President has assured me and assured the country now that he would give me, I am delighted to accept his intention to nominate.

As far as my own views on the environment are concerned, the question of whether we are going to clean up the environment of this country is long over. That debate occurred back in the 1960's and resulted in all kinds of address to environmental problems by States and the Federal Government in a massive outflow of laws and regulations.

The question of today is not "whether," the question is "how"—how do we proceed to deal with this enormously complex mix of problems involving air pollution, water

pollution, solid waste, and all of the problems that EPA has to deal with that affect public health and the environment?

I guess my immediate task, as I see it, is to stabilize EPA, is to re-instill in the people there the dedication to their task, to their job, that they have had from the outset of that agency and to get on with this enormously complicated job of cleaning up our air and water and protecting our citizens against toxic substances.

I believe that the President has given me the tools that I need to do the job, most important of which are his personal support. He has given me the flexibility to define the problems and to suggest solutions and, on that basis, I'm going to do the best job I can for him and for the country to divine and to serve the public interests.

I would be glad to try to respond to any questions, or either one of us would.

Q. We have one for the President first. Mr. President, let me—let us just ask you if you think that it was the philosophy that your appointees brought to the EPA or what they thought was your philosophy on the environment that caused some of the problems over there in the first place? That's been suggested.

The President. No, my philosophy has been one and the same. It's been the same since I was Governor of California: to enforce the laws and to use common sense in doing this. And very frankly, I think that the attack that was leveled was unwarranted.

Q. But some of the folks that were there seemed to be tilting toward business because they thought that's what your administration wanted.

The President. I think that was a misreading and, as I say, I think a misunderstanding. All that I've ever proposed is that we be fair.

Q. Somehow you're getting tougher, though, now, Mr. President. Will your policies become more, say, pro-environment now with the mandate that you've given Mr. Ruckelshaus?

The President. They've always been pro-environment.

Q. Are they changing at all starting now?

The President. I'm too old to change. [Laughter]

Q. Mr. President, will Mr. Ruckelshaus be able to be truly independent of both interference from the White House on political grounds and interference from industry? Does he have a mandate to be independent of that kind of interference?

Mr. Ruckelshaus. Let me try to respond to that. When I was there before there were always—a constant flood of speculation, charges about various industrial intervention into EPA. There was never any substance to it when I was there, and there won't be any substance to it now.

It is our job, my job, the job of that agency to serve the public interest. That includes all of the public. And when we have charge—we are charged with regulating a segment of our society, we're going to do so fairly. It's very important to underscore "fairly." We are going to do our best to interpret the mandate that Congress has given us and interpret that in a way that achieves environmental improvement in this country. I don't think that necessitates confrontation. I don't think it necessitates us shaking our fist at anybody. It entails a lot of hard work and a lot of dedication to seeing that those laws are properly administered.

Q. To follow up, what do you think of the testimony that has been heard on Capitol Hill about political interference, about Dow Chemical rewriting reports in the past? What about the stewardship of the agency so far?

Mr. Ruckelshaus. Well, my concern is the future, not the past. My concern is the future of that agency and to ensure that it does its job.

To the extent that any charges are leveled, I have no idea whether they're right or wrong. We will do the best we can to investigate the substance of those charges, and if they prove to be correct, why, appropriate action will be taken. But I don't want to prejudge that, because I have no idea.

Q. Mr. President, a lot was made last week of your statement about environmental extremism and trying to turn the White House into a bird's nest. I mean, is that the way you feel about environmentalism?

The President. No. But as in any movement, there are going to be zealots on both

sides who are going to want something more than what is happening. And I think Bill has been answering this question, in a way, with what he was saying about the purpose. There are some people, and they've always been there, who are so zealous that they literally would stop all progress. But by the same token, why don't you give some circulation to a remark that I made when I was Governor? I said, "There are also people in the country that believe that they won't be satisfied unless they can pave over the entire countryside."

Now, that was an extreme statement, too. But it was about those people that believed that in the name of progress it warranted destroying the purity of our waters and the quality of our air and so forth.

Q. Do you feel, sir, though, that the environmentalists have legitimate concerns about what's been going on at EPA? Are there any legitimate concerns there? You say the charges are unwarranted.

The President. I think the—and then we have to leave with this one. I'm sorry. But wait a minute—because you'll all have another crack before the week is out. I'm going to come back here for a press availability, so we'll do it then.

But—[*pauses and laughs*]*—in trying to calm you—*

Q. [*Inaudible*]

The President. Oh, the understanding about the things up there.

I think one of the things that set some of those committees off was the fact that the Superfund for the clearing up of toxic waste dumps—now, if you understand and go back, you've got to remember that there was a time when the so-called toxic waste, and not too long ago, was being simply disposed of the way we've disposed of any kind of garbage—put it in a hole some place, do this with it and that. But it was not being villainous or venal; we didn't understand those drugs or those things. It was like in California, not too many years ago, discovering, for the whole Nation, what caused smog. No one had known before. And so things were done without evil intent.

Now, there are thousands and thousands of those dumps throughout the country.

And the EPA has the task of not only finding and identifying all of them but then determining which constitute the most immediate danger and, therefore—because you can't deal with all of them at once—going to work on a priority basis on those.

And evidently, there were some disputes—and particularly on the part of some on the Hill—as to whether right decisions had been made on some of these. I think that they had made sizable progress and were well underway toward establishing—they had already some several hundred that they believed were the prime and the priority dumps to be cleaned up.

And this is what I think all of the fuss was about. And I would like to point out that in all the allegations and everything—accusations, just like so many other things, no one has presented any facts at all.

Q. Why so many resignations then—and firings?

Q. Mr. President, Jim Watt——

Deputy Press Secretary Speakes. We are going to have to stop this.

Q. Why do you have so many resignations and firings?

Mr. Speakes. You are using up——

Q. Let us have a question in the back of the room, please.

Mr. Speakes. Sarah [Sarah McClendon, McClendon News Service], I think it ought to be—listen, you are using up your press availability right now.

The President. I'll make a deal with you.

Q. Yes, sir?

The President. You'll be the first one in the press availability, before the week is out, that I will call on.

Q. But when will that be?

The President. What?

Q. We don't know when that's going to be. [Laughter]

The President. It's going to be this week.

Q. What day? [Laughter]

The President. I don't know. We haven't determined the day yet.

[At this point, the President left the Briefing Room.]

Q. Mr. Ruckelshaus, one question?

Mr. Ruckelshaus. Sure, I'd be glad to.

Q. Mr. Ruckelshaus, after years on the industrial side of the fence, have your views

toward regulation changed any since you were at EPA?

Mr. Ruckelshaus. When my views on regulation and on the environment and the protection of the public health changed, to the extent they've changed, was when I was at EPA. I went into EPA with a lot of assumptions about scientific certitude, about pollutants, about our ability to measure them, about our ability to abate them with the technology that was available at a reasonable cost, and the only thing necessary to gain compliance with the environment was to start enforcing the laws.

After I got there and after I was, frankly, there about 3 months, I discovered this problem was a lot more complex than I realized when I first arrived, and that we have a whole mix of extraordinarily complicated, difficult problems to solve under the calmest of circumstances. And when you add to that complicated mix the emotion that can be generated around some of these problems, it just becomes four or five times as complicated.

Q. What about this agency review that you're going to be conducting? The budget has been cut deeply at EPA the last couple of years, some say disproportionately. A lot of people who are sympathetic to the administration's goals say there aren't resources over there. Might your agency review lead to rethinking that question?

Mr. Ruckelshaus. Oh, it well might. But I'm certainly not going to prejudge that. These are the kinds of questions that I will have to deal with in confirmation, that I will have to deal with, frankly, when I get to the agency and better understand it. And I think that, rather than prejudge any of that, I'd better wait until I'm there.

I think that in order——

Q. Do you have a free hand——

Mr. Ruckelshaus. Yes, I do. I have a free hand.

Q. ——in picking all your deputies?

Mr. Ruckelshaus. In order to make sure that I'm able to answer all of these questions in the framework established by the laws, I think I'd better wait till confirma-

tion. So, thank you very much.
Q.Thank you.

Note: The President spoke at 10:32 a.m. in the Briefing Room at the White House.

Nomination of William D. Ruckelshaus To Be Administrator of the Environmental Protection Agency

March 21, 1983

The President today announced his intention to nominate William D. Ruckelshaus to be Administrator of the Environmental Protection Agency. He would succeed Anne M. Burford.

Since 1975 Mr. Ruckelshaus has been serving as senior vice president of Weyerhaeuser Co., in Tacoma, Wash. Previously he was a member of the Washington, D.C., law firm of Ruckelshaus, Beveridge, Fairbanks and Diamond in 1973-1975; Deputy Attorney General of the United States in 1973; and Acting Director of the FBI in 1973. He served as Administrator of the Environmental Protection Agency in 1970-1973. In 1969-1970, he served at the De-

partment of Justice as Assistant Attorney General in charge of the Civil Division. He was a member and majority leader of the Indiana House of Representatives in 1967-1969.

Mr. Ruckelshaus serves as director of Cummins Engine Co., Inc., Peabody International Corp., Twentieth Century Fund, and Nordstrom, Inc. He is chairman of the board of the Urban Institute.

He graduated from Princeton University (B.A. 1957) and Harvard University (LL.B., 1960). He is married, has five children, and resides in Medina, Wash. He was born July 24, 1932, in Indianapolis, Ind.

Remarks to Department of Agriculture Employees on National Agriculture Day

March 21, 1983

Secretary Block and Deputy Secretary Lyng, the ladies and gentlemen here on the dais and all of you from the Department of Agriculture, honored guests who are here and those who are listening throughout the country:

Today we commemorate stocked cupboards, healthy children, the spirit of enterprise, railroad cars and trucks heavy with food, free men and women living and working on their own land, government workers researching and developing scientific farming techniques, fields overflowing with grain and cotton and corn and vegetables, orchards laden with fruits and nuts, pastures dotted with cattle and hogs. I had to get that last one in here or the Secretary wouldn't let me speak. [*Laughter*] But most importantly, we commemorate all the people who plant and harvest, transport,

market, and distribute America's food and fiber.

Have I left anyone out? Yes, because I want you, the employees of the Department of Agriculture to know that this day is your day, too. You've been doing a tremendously professional job, and I'm grateful for your dedication. I know you've been putting your nose to the grindstone implementing the 1981 farm bill. You started the PIK program from scratch and have done an admirable job. Believe me, I know how hard it is to get the word out sometimes, and our cheese operation went from zero to full steam ahead overnight.

So, whether you've been part of our efforts to increase exports, handling the very sensitive work over at the Farmers Home Administration, or taking care of any of the other myriad of responsibilities of this De-

partment, thanks for all you're doing.

Today, we salute an endeavor that is vital to our well-being, yet one Americans have been so successful at that it's often taken for granted: agriculture. All of us should be grateful to God for making American abundance possible and grateful to the families and all the others involved in agriculture for taking over from there.

I feel a story coming on. [*Laughter*] Forgive me if you've heard it, but it's about an old fellow who had taken over some scraggly creek bottom land all covered with rocks and brush. And he went to work on it, clearing away the rocks and the scrub brush and all. He cultivated and he fertilized and finally he had a garden that was his pride and joy. And one morning after Sunday services, he asked the minister if he wouldn't like to come out and see just what he'd accomplished. Well, the Reverend arrived. And the first sight were the melons. And he said, "I've never seen melons so big." He said, "My, the Lord has certainly blessed this land." And the Reverend came to the corn and he said, "That's the tallest corn I've ever seen." He said, "Blessed be the Lord." And he went on that way about everything he saw. Finally, he said, "What you and the Lord have accomplished here is a miracle." Well, all the time this was going on, the old boy was getting pretty fidgety standing there. And finally he said, "Reverend, I wish you could have seen this place when the Lord was doing it all by himself." [*Laughter*]

Well, the Lord's help, along with muscle and sweat and sophisticated technology and modern business methods are producing some miracles today. Farm output has jumped more than 89 percent since 1950, with agricultural productivity rising more than four times faster than industrial productivity per hour worked. One hour of labor on the American farm today produces 15 times as much as it did 60 years ago. American production of food and fiber, always admirable, now holds the rest of the world in awe. With less than three-tenths of 1 percent of the world's farmers and farmworkers, our country produces—think of it, less than three-tenths of 1 percent—produce 65 percent of the world's soybeans, 48 percent of the corn, 32 percent of the sor-

ghum, 25 percent of the oranges, 31 percent of the poultry, 26 percent of the beef, and the list goes on and on.

As I walked into the Department of Agriculture this morning, I noticed the words of George Washington inscribed on the front of this beautiful building. He said, "With reference either to individual or national welfare, agriculture is of primary importance."

Well, this was never more true than today. With stores and markets overflowing, our citizens each consume 1,408 pounds of food annually. Their relative health, creativity, and high energy level can, to a large degree, be traced to a diet that is the envy of the world. And yet, we spend less than 17 percent of our disposable income on that food. That's the lowest rate of any people anywhere in the world.

The health of our economy is also tied to agriculture. American agriculture, taken as a whole, is an industry so vast that it stretches the imagination, with assets exceeding \$1 trillion, employing 23 million people—22 percent of America's work force.

And we aren't just feeding ourselves. Today, wheat harvested in the Great Plains is eaten as pasta in Italy. Our soybeans are part of the soy sauce used in the Orient. Our cottonseed is pressed into oil and shipped to Venezuela. Our grain is consumed in Russia. And African children are fed by the tillers of Nebraska soil.

In 1982 our agricultural export revenue was five times what it was in 1970, helping to offset the increased cost of energy imports over this period. Today, two of every five agricultural acres are devoted to export and over one-fourth of all farm income comes from sales overseas. Our agricultural exports use rural elevators, grain terminals, railroads, canals, seaports, ships, barges, and warehouses. It's a vast network, incredibly efficient in providing income for tens of millions of people and feeding many millions more.

In the United States we're proud of what our free people, with the profit motive and private property, have produced, and that is especially true of agriculture. Our agricultural system is a national treasure, and this

administration is unflinching in its commitment to maintain and strengthen agriculture's role in the American economy.

Yet, as proud as we are of American agriculture, all of us should be aware of—and I know you who are present in this hall are—and sensitive to the weight borne by the American farmer in recent years. A decade of overspending and overtaking shot interest rates sky-high and unleashed devastating inflation on all of us. Nowhere was it felt more than down on the farm. They were the greatest victims of the cost-price squeeze.

A farmer once won a sweepstake, thousands and thousands of dollars in a sweepstake, and someone asked him what he planned to do with all the money. And he said, "I'll just keep on farming till it's all gone." [Laughter]

Surviving has been a job in itself, but I think it's fair to say that although the winter has been harsh, it's going to be a beautiful spring. We've planted the right seeds, and now economic recovery is popping up all over the country. And America's farmers aren't going to be left out.

For the first time in years we've got inflation—which was public enemy number one when we came here—under control. In the 2 years—'79 and '80—farm production costs rose 30 percent. By last year they were only going up 2 percent, and in 1983 it's expected to be the same or less. The prime interest rate is down to 10½ percent. It was 21½ just before we came here. And I told these people here on the platform and will tell all of you: that, along with spring this morning, came an announcement from the Department of Commerce that the growth in gross national product for the first quarter of '83 was 4 percent. In the last quarter of '82, it was going down 1.1 percent. In our own estimates, we only predicted it was going to be going up 1½ percent in this first quarter.

To get back to the interest rates and so forth and what they mean for every farmer: For every 1 percent drop in the average interest rate on outstanding farm debt, net farm income goes up \$2 billion.

Do you remember when we decontrolled the price of oil and some so-called experts howled that it would add to inflation and

predicted that the price of gas would go above \$2 a gallon? Well, decontrol unleashed a stampede of exploration, contributed to the oil glut, and brought oil prices down from—or gas prices down from about \$1.27 a gallon, when we started, to below a dollar now in most of the country. The decline in the price of diesel has been a godsend to the American farmer.

Bringing down interest rates and reducing fuel costs will help, but increasing farm income is better. With the cooperation of Secretary Block, Trade Representative Brock, and all relevant agencies and departments, that's exactly what we're trying to do—not by increasing subsidies or Federal controls, but instead, by opening markets and introducing alternatives in order to overcome excessive surpluses.

We believe in free trade, but we're no longer going to play patsy for those who would use this commitment as leverage against us. Free trade means access for those trading with us, and it also means access for Americans to their markets, those foreign markets. Our Trade Representative must do everything it takes to tear down trade barriers and end unfair trade practices.

In the meantime, we've sent trade teams around the world—and they included your Secretary—to Europe, to Africa, to Latin America, the Middle East, and the Far East. The intent was to seek new markets, and these efforts are paying off. We expect to ship more grain to Iraq and Morocco, to have sizable grain sales to India, and, of course, we have a deal with Egypt that represents one-sixth of the world's wheat flour trade.

Another plus for farmers is a program that we've started—with the full cooperation of Congress—which puts surplus commodities, now sitting idle in bins and warehouses, to work helping the American farmer. It's called the PIK, and you know that's the Payment-In-Kind program. And under this crop-swap agreement, farmers—or concept—farmers are given a certain amount of grain or cotton, rather than money, in payment for not planting. The self-help nature of PIK makes farmers themselves, not government, the solution. It

leaves them with much more personal freedom, and it has the potential of whittling down a surplus problem that's been a serious drag on the entire farming community.

The final tally on farmer participation won't be known until 3 o'clock tomorrow afternoon, but from the reports that I've been getting from Secretary Block, the program is being received with open arms.

Although our large surplus remains a problem, we can be grateful that even in economic downturns America has an abundance of food. This bittersweet situation afforded us the opportunity, early last year, to initiate a program to help those hard-hit by the recession by giving away surplus cheese and other dairy products. Your Department has given away over 250 million pounds of cheese and dairy products, valued at nearly \$400 million, to 10 million needy people during these past 14 months.

Those of you who work here at the Department of Agriculture are aware of other surplus commodities held by the Federal Government. Now, I personally believe that we shouldn't keep agricultural commodities locked up in storage that needy people require and can't afford to buy. So, I'm asking the Secretary to explore ways some of the other commodities in government warehouses can be distributed to the needy to alleviate unusual hardship, without disrupting our farmers' markets. The Secretary informs me he's already taken the first steps to make milled rice and cornmeal available.

These have been difficult times, and while we're encouraged that recovery is underway—and that it looks like it'll be long and strong—we haven't ignored those who, through no fault of their own, are suffering. Emotional and often politically motivated attacks notwithstanding, overall nutrition assistance provided to the unemployed and the needy of this country is at a higher level now than ever before. This assistance takes the form of food stamps, school lunches, child and nutrition activities, and donated commodities.

Comprehending the pain and the deprivation resulting from this recession should bolster us in our resolve never to be lured back into the irresponsible policies of tax and spend and inflate that caused this suffering in the first place. The ultimate solu-

tion to these heartrending problems remains a healthy economy. Yet, while heading toward that goal we have not, as some would like you to believe, permitted people to go hungry. In times like these we must use our heads to make things get better, but we must never forget our hearts, either.

Consistent with this, our efforts—getting control of farming costs, opening markets, and coming to grips with the surplus problem—will reap long-lasting benefits for farmers.

I grew up in farming country during the dark days of the Great Depression. And in the last few months, there have been stories reminiscent of those days—farmers losing their land, foreclosures, and tears. Now obviously, we've been unable to rescue all of them, but the Farmers Home Administration has been operating under instructions to work with farmers on a case-by-case basis, taking every responsible measure to help individual farmers get back on their feet.

There is a Federal role in agriculture. Consistent with this, we've increased money for agricultural research and expanded the Federal Crop Insurance program. We've strengthened the Department of Agriculture's market-development program, implemented the blended credit program to finance U.S. agricultural exports, increased the level of agricultural export credit guarantees to the highest level in history—\$4.8 billion.

By the end of this year, we will have cut income taxes by 25 percent across the board and, beginning in 1985, indexing will prevent people from being pushed into higher and higher tax brackets by inflation.

In 1987 the estate tax, which has been the most potent enemy of the family farm since the Dust Bowl, will be entirely eliminated for a surviving spouse. And the exemption will be increased by then to about \$600,000, making it easier for family farms to be passed on to their children.

We also, as you've been told, ended the Soviet grain embargo and have pledged never again to single out agriculture from the rest of the economy for use as an economic weapon. In addition, I signed into law legislation that assures the sanctity of

agricultural export sales contracts.

Throughout history, farming has been recognized as irreplaceable to the vitality of any society. The nobility of those who grow food has not escaped notice. In ancient Rome, Cicero said, "Of all occupations from which gain is secured, there is none better than agriculture—nothing more productive, nothing sweeter, nothing more worthy of a free man."

Well, here in the United States where new dimensions have been added to the word "liberty," the Jeffersonian vision of free men working their own land is still rooted in our consciousness. So in many ways, we look to agriculture not just for sustenance of the body, but also to prove to ourselves that our ideals are still alive.

Recently, farmers in States across the Nation, in spite of their troubles, donated thousands of bushels of wheat to help feed the unemployed in hard-hit urban and industrial areas. In North Dakota the goal was set at 2,600 bushels, and on the first day of the project, 6,000 bushels were donated. The wheat was ground at a State-owned mill and pressed into macaroni. That North Dakota project alone provided enough food for more than 1,700,000 meals. Every aspect of the project was a product of voluntary contributions—the wheat, the baking, the bags and boxes, as well as the trucks and fuel. All of this done at a time when the wheat farmers, as I said before, are themselves in a bind.

[At this point, the President noticed members of the audience watching photographers, who were preparing to photograph a calf and some 4-H Club youngsters in a pen set up near the stage.]

I once learned, never get in a scene with a kid or an animal. *[Laughter]*

But similar events to this charity thing have happened in Minnesota, Oklahoma, Oregon, South Dakota, and Washington. This isn't just a story of good farmers; this is the story of good people and good Americans. No matter how industrialized we become, America's heart, her soul, her sense of justice and decency will remain strong as long as the American farmer continues to be an integral part of our national life.

As a young boy growing up in that small town on the plains of Illinois, I remember those farming families. They were proud, church-going people. They were independent and yet always ready to lend a hand to a neighbor. We can all be grateful that these folks and their ideals are still with us today.

Today, Agricultural Day, we express our appreciation to them for the bounty of food and fiber they provide and for the strength they give us.

And, now, God bless all of you and them, and thank you.

Note: The President spoke at 11:43 a.m. on the patio of the Administration Building of the Department of Agriculture.

Proclamation 5034—Afghanistan Day, 1983

March 21, 1983

*By the President of the United States
of America*

A Proclamation

The tragedy of Afghanistan continues as the valiant and courageous Afghan freedom fighters persevere in standing up against the brutal power of the Soviet invasion and occupation. The Afghan people are struggling to reclaim their freedom, which was

taken from them when the Soviet Union invaded Afghanistan in December of 1979.

In this three-year period the Soviet Union has been unable to subjugate Afghanistan. The Soviet forces are pitted against an extraordinary people who, in their determination to preserve the character of their ancient land, have organized an effective and still spreading country-wide resistance. The resistance of the Afghan freedom fighters is

an example to all the world of the invincibility of the ideals we in this country hold most dear, the ideals of freedom and independence.

We must also recognize that the sacrifices required to maintain this resistance are very high. Millions have gone into exile as refugees. We will probably never know the numbers of people killed and maimed, poisoned and gased, of the homes that have been destroyed, and of the lives that have been shattered and stricken with grief.

It is, therefore, incumbent upon us as Americans to reflect on the events in Afghanistan, to think about the agony which these brave people bear, and to maintain our condemnation of the continuing Soviet occupation. Our observance again this year of Afghanistan Day on March 21, the Afghan New Year, will recall for all the world America's unflagging sympathy for a determined people, its support for their refugees and commitment to achieving a polit-

ical settlement for Afghanistan which will free that country from tyranny's yoke.

The Congress, by Senate Joint Resolution 65, has designated March 21, 1983 as "Afghanistan Day" and has requested the President to issue a proclamation in observance of that day.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate March 21, 1983 as Afghanistan Day.

In Witness Whereof, I have hereunto set my hand this twenty-first day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 3:10 p.m., March 24, 1983]

Note: The proclamation was not issued in the form of a White House press release.

Message on the Observance of Afghanistan Day March 21, 1983

Today, March 21st, is New Years Day in much of the Moslem world. New years, of course, should be an occasion for celebration. But for the Moslem people of Afghanistan, whose country was attacked and is occupied by the Soviet Army, it is a bitter reminder of a national calamity that befell their nation more than 3 years ago. To focus the world's attention on this crime against an innocent and brave nation, we observe today the second annual Afghanistan Day.

In Afghanistan, tens of thousands of people have been killed, millions have lost their homes and their livelihood. Others have been subjected to torture and other atrocities, and many have been victims of the grisly chemical and biological weapons, including yellow rain—weapons the Soviets have used in violation of solemn international agreements. The consequences of this calamity extend to Pakistan, which has as-

sumed the burden of sheltering and feeding nearly 3 million refugees.

Yet, while we condemn what has happened in Afghanistan, we are not without hope. To watch the courageous Afghan freedom fighters battle modern arsenals with simple hand-held weapons is an inspiration to those who love freedom. Their courage teaches us a great lesson—that there are things in this world worth defending.

To the Afghan people, I say on behalf of all Americans that we admire your heroism, your devotion to freedom, and your relentless struggle against your oppressors.

The Soviet people have known great suffering—more than other people. They should be able to sympathize with the terrible suffering of the Afghan people. To the Soviet leaders, I urge you in the name of humanity to end the bloodshed so that an independent Afghanistan can again take its

place in the community of nations. The West has no designs upon Afghanistan. We do not threaten you there or anywhere on the globe. All we seek is the restoration of peace and freedom for a noble and brave

people whom we remember today.

Note: The President's message was taped at 11:12 a.m. in his study adjoining the Oval Office at the White House.

Nomination of Alfred Hugh Kingon To Be an Assistant Secretary of Commerce

March 21, 1983

The President today announced his intention to nominate Alfred Hugh Kingon to be an Assistant Secretary of Commerce (International Economic Policy). He would succeed Raymond J. Waldmann.

Since 1971 he has been editor in chief of all publications for Macro Communications, Inc., in New York, N.Y. In this position he has served as editor in chief of "Financial World" since 1973. He was editor in chief of "Saturday Review" (1980-1982) and "Money and Credit" (1970-1973). He was portfolio manager for the Businessman's Fund (formerly The McDonnell Fund) in

1969-1971 and security analyst, vice president, and director of research for Scheinman, Hochstin and Trotta, in 1967-1969.

Mr. Kingon is a member of the Executive Committee of the President's Private Sector Survey for Cost Control Task Force. In addition, he was appointed in January 1982 to be a member of the President's National Productivity Advisory Committee.

He graduated from Union College (B.S., 1953) and attended New York Graduate School of Business Administration. He is married, has one child, and resides in New York, N.Y. He was born May 11, 1931.

Nomination of Theodore J. Garrish To Be General Counsel of the Department of Energy

March 21, 1983

The President today announced his intention to nominate Theodore J. Garrish to be General Counsel of the Department of Energy. He would succeed R. Tenney Johnson.

Mr. Garrish is serving as special assistant to the Secretary of Energy. Previously he was legislative counsel at the Department of the Interior in 1981-1982; partner in the Washington, D.C., law firm of Deane, Snowdon, Shutler, Garrish and Gherardi in 1978-1981; General Counsel at the U.S.

Consumer Product Safety Commission in 1976-1978; assistant to the Secretary of the Interior in 1976 and 1974-1975; assistant to the Special Counsel at the White House in 1974; and senior trial attorney and chief of advertising evaluation section at the Federal Trade Commission in 1973-1974.

He graduated from the University of Michigan (A.B., 1964) and Wayne State University (J.D., 1968). He has two children and resides in Alexandria, Va. He was born January 6, 1943, in Detroit, Mich.

Proclamation 5033—National Eye Donor Month, 1983 *March 21, 1983*

*By the President of the United States
of America*

A Proclamation

One of the most magnificent presents that one human being can bestow upon another is the gift of sight. Incredible as it may seem, it is within the power of each of us to give this precious gift simply by making arrangements to donate our eyes after death.

Thanks to advances in eye research, donor eyes can be stored and the preserved corneal tissues transplanted into the eyes of people who would otherwise be unable to see the beautiful and exciting world in which we live.

Each year some 30,000 people lose vision because their corneas have been damaged by injury, disease, or an inherited condition. Where the cornea has become so clouded that vision is lost, sight usually can be restored through a replacement cornea provided by a cornea donor.

Tragically, some visually impaired people who could benefit from this operation cannot be helped because suitable corneal tissue is not always available when needed. Donor eyes are also needed for vision research so that we may learn more about how this organ functions and develop ways to prevent and treat the many disorders

which threaten sight.

It is appropriate that we as a Nation encourage eye donations and increase public awareness of the need for such donations. By filling out a uniform donor card and carrying it, we may give the gift of sight to people who now suffer from corneal blindness and benefit others from eye research.

The Congress, by Senate Joint Resolution 15, has designated March 1983 as "National Eye Donor Month" and has authorized and requested the President to issue a proclamation in observance of that month.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of March 1983 as "National Eye Donor Month." I urge all citizens, health care professionals, educators, the media, and public and private organizations concerned with vision and vision research to join me in supporting this humanitarian action.

In Witness Whereof, I have hereunto set my hand this twenty-first day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:16 p.m., March 21, 1983]

Statement by Deputy Press Secretary Speakes on the Strategic Arms Reduction Talks *March 21, 1983*

The current discussion of Ambassador Ed Rowny and the talking points prepared for his use in a meeting with the President's nominee for the position of Director of the Arms Control and Disarmament Agency is a disservice to all concerned. Ambassador Rowny has disavowed the points, indicating that he did not sign or subscribe to them.

Unjustified attacks on Ed Rowny—a dedicated, experienced, competent public servant who has devoted his life's work to our nation's security—do little to serve the country. Ambassador Rowny's skill and wisdom have been critical factors in the preparation of the President's START proposals and in presenting them at the table

in Geneva. This proposal is part of the most comprehensive arms reduction initiative in the recent history of arms negotiations, and the President believes that the progress we have seen in START is due in large measure to the statesmanlike and vigorous ac-

tions of Ed Rowny.

The President and Ambassador Rowny have the same goal: substantial, equitable, and verifiable arms reductions. Ambassador Rowny's conduct has been entirely consistent with that goal.

Statement on Proposed Social Security and Unemployment Benefits Legislation

March 22, 1983

One of the most important pieces of legislation to be considered by the Congress this year is being held hostage by a small but highly funded and organized special interest group.

Until a few days ago, it appeared that an omnibus bill to make social security solvent and extend supplemental unemployment benefits would be enacted this week. I would have gladly signed this vital measure to relieve legitimate worries about the economic security of so many.

Now, however, a selfish special interest group and its congressional allies are attempting to make this vital economic security bill a legislative hostage. But let me make absolutely clear that an unrelated rider amendment—based on a campaign of distortion and designed to prove that the banks and other financial institutions can still have their own way in Washington—

has no place in the bill pending before the Senate.

We should not accept an amendment designed to prevent the collection of taxes that are already owed on interest and dividends, even if the financial institutions find it inconvenient.

This morning, I have strongly urged the leadership of the Senate to take whatever steps may be needed to free the economic security bill from this blatant attempt at legislative hostage taking. The social security and unemployment insurance lifeline that extends to millions of Americans across the breadth and width of our land cannot be permitted to be severed by the obstructionist tactics of a Washington lobby and its congressional friends. As I said last week, it would be far better if the bankers spent less time lobbying and more time lowering interest rates.

Designation of Two United States Representatives on the Panama Canal Consultative Committee

March 22, 1983

The President today announced his intention to designate the following individuals to be Representatives of the United States of America on the Consultative Committee established by the Panama Canal Treaty of 1977:

Harold R. Parfitt will succeed Welborne G. Dolvine. He retired as major general, U.S. Army, in 1979. He served as Governor of the Canal Zone in 1975–1979. Previously he was Com-

manding General, U.S. Army Engineer Center/Commandant, U.S. Army Engineer School, in 1973–1975; Division Engineer, U.S. Army Engineer Division, Southwest, Dallas, Tex., in 1969–1973; and Commanding Officer, 20th Engineer Brigade in Vietnam, in 1968–1969. He graduated from the U.S. Military Academy (B.S., 1943) and the Massachusetts Institute of Technology (M.S., 1948). He is married, has two children, and resides in Dallas, Tex. He was

born August 6, 1921, in Coaldale, Pa.

Nestor D. Sanchez will succeed Ambler Holmes Moss, Jr. He is presently serving as Deputy Assistant Secretary of Defense for Inter-American Affairs. He retired in 1981 from the Central Intelligence Agency after 30 years of service in the Far East, Africa, Latin America, and Europe. On two occasions, he has been awarded the Intelligence Medal of Merit and, most

recently, the Distinguished Intelligence Medal. He served in the U.S. Army in 1945–1946 and 1951–1952. Mr. Sanchez graduated from New Mexico Military Institute (B.A., 1950) and Georgetown University (M.A., 1951). He is also a graduate of the National War College. He is married, has four sons, and resides in McLean, Va. He was born July 28, 1927.

Nomination of R. Budd Gould To Be a Member of the National Council on the Handicapped

March 22, 1983

The President today announced his intention to nominate R. Budd Gould to be a member of the National Council on the Handicapped for a term expiring September 17, 1985. This is a new position.

Since elected in 1974 Mr. Gould has been serving as a member of the House of Representatives for the State of Montana. He served as a member of the Public Health (chairman, 1981) and Highways and Trans-

portation Committees. He served as Chairman for Region V of the White House Conference on the Handicapped in 1976–1977. He was appointed to the Rehabilitation Service Advisory Council and the Visual Services Advisory Council in 1976.

Mr. Gould attended the University of Montana. He is married, has one daughter, and resides in Missoula, Mont. He was born May 10, 1937, in Pasadena, Calif.

Remarks at a Meeting With Republican Members of the House of Representatives on a House Budget Proposal

March 22, 1983

Well, to get the meeting under way—and I don't want it to remain a monolog. It's going to be a dialog when we get going. But the subject of the meeting is the budget that was passed on a straight party-line basis of the Democrats out of their committee, their version of a budget which they have declared is a restatement of Democratic tradition. And I'm afraid it is.

But I don't see any way that we can, with our own proposal of a budget, that there could be any effort to compromise or find a meeting ground. This budget that has been proposed by them must be defeated.

First of all, this proposal calls for an increase in taxes over the next 5 years by about \$315 billion. It calls for canceling most of the gains and the savings that we've

made in entitlement programs and so forth over the last 2 years. It increases over that same period of time domestic spending by—I believe, Dave,¹ I'm right—about \$181 billion.

Increasing that spending that much, increasing the taxes that much, it also will reduce the defense budget down to a point that is some \$31 billion below the defense budget that had been planned by President Carter, and which we're trying to rectify and get our defenses to recover from.

But when all that is done, they will have wound up with an \$8 billion addition to the deficit for the years '83, '84. In other words,

¹ *David A. Stockman, Director of the Office of Management and Budget.*

all of this will be done to simply achieve tens of billions of dollars of new spending. As a matter of fact, they have introduced some 10 new social domestic programs, in addition to reducing all the—or eliminating the savings that we've made.

Now, the taxes that they're going to increase call for canceling the third year of the income tax cut and canceling indexing. The truth of the matter is that in both of these taxes, the bulk of them, 72 percent of one—the third-year cut—and 78 percent of the indexing, the savings there goes to people below the \$50,000 mark. Middle-income and lower middle-income earners are the ones that will pay the bulk of that tax. Obviously, indexing is strictly for the working man and woman in this country, because they're the ones that, when they get a cost-of-living pay raise, are moved up into a higher tax bracket. Well, it can't be a benefit to the rich, because they're already in the top bracket. There's no place to push them.

And I just feel that this thing is such a throwback that we have to make it plain to the people what this would result in. This is going back to the type of government program that caused the problems that we're facing today.

Well, the main thing is we're in a recovery. There's no question about it and that the word that came out yesterday with regard to the growth in the gross national product. And to do things of this kind, the taxes would be almost \$30 billion in the first year of the tax increase. That's no way to keep a recovery going. That is going to cut off recovery.

And I make one last point, and then we will turn it over just for conversation here and for more detail on this. But when we went for the tax increase that we did a year or so ago—and many of us, as we said then, had to swallow hard to do it—we did that on a kind of bipartisan agreement that we were going to get \$3 in spending cuts for every \$1 of increase in taxes. And this is a complete repudiation of that agreement to now turn around and offer this kind of a proposal.

So, again, as I say, our job—I know we're outnumbered in the House—but our job is to find those Democrats that I'm sure are there who are responsible and who will go along with repudiating a proposal of this kind.

End of statement.

Note: The President spoke at 2:08 p.m. in the Cabinet Room at the White House.

Statement on the Consumer Price Index *March 23, 1983*

Today's inflation report brings more good news to American wage earners and consumers. Consumer prices actually fell in February by 0.2 percent, and for the past year, we have reduced the inflation rate to 3.5 percent—the best record in more than a decade. This steady progress confirms once again that we are putting inflation back in its cage and that our economy is on the

mend.

Now it is more vital than ever that America's elected leaders here in Washington work together to hold down spending and taxes and restrain the growth of government. This message must not be lost on the House of Representatives as it prepares for a major vote today on the budget.

Nomination of Constance Horner To Be an Associate Director of ACTION

March 23, 1983

The President today announced his intention to nominate Constance Horner to be Associate Director (Domestic and Anti-Poverty Operations) of the ACTION agency. She would succeed Lawrence F. Davenport.

Since October 1982, Mrs. Horner has been Acting Associate Director of the ACTION agency. Previously she was Director of VISTA in 1982; Deputy Assistant Director for Policy and Planning, ACTION, in 1981–1982; and staff director for the committee on family and community services during the 1981 White House Conference on Aging. She was a freelance writer for various publications, including the New York Times, the Wall Street Journal, and

the American Spectator in 1977–1979.

Mrs. Horner has been serving as Chairman of the Education and Prevention Task Force of the White House Working Group on Drug Abuse since 1982.

She graduated from the University of Pennsylvania (B.A., 1964) and the University of Chicago (M.A., 1967). She is married, has two children, and resides in Washington, D.C. She was born February 24, 1942, in Summit, N.J.

Note: Mrs. Horner's nomination, which was submitted to the Senate on March 24, was withdrawn by the President on April 13.

Announcement of the Establishment of the National Narcotics Border Interdiction System

March 23, 1983

The President today announced the formation of the National Narcotics Border Interdiction System (NNBIS) to interdict the flow of narcotics into the United States. NNBIS will be headed by Vice President George Bush. There will be an Executive Board which will include the Secretaries of State, Treasury, Defense, and Transportation, the Attorney General, the Counsellor to the President, the Director of Central Intelligence, and the Director of the White House Drug Abuse Policy Office.

Designed to coordinate the work of those Federal agencies with existing responsibilities and capabilities for interdiction of sea-borne, airborne, and cross-border importation of narcotics, NNBIS will complement but not replicate the duties of the regional Drug Enforcement task forces operated by

the Department of Justice.

NNBIS will monitor suspected smuggling activity originating outside national borders and destined for the United States and will coordinate agencies' seizure of contraband and arrests of persons involved in illegal drug importation.

The Coordinating Board for NNBIS will be headed by Adm. Daniel J. Murphy, Chief of Staff to the Vice President, who has chaired the Working Group of the South Florida Drug Task Force, also under Vice President Bush. The Coordinating Board membership will be composed of ranking officials from the Departments of State, Defense, Treasury, Justice, Transportation, Central Intelligence Agency, and their subordinate agencies and offices.

Appointment of James W. Winchester as a United States Commissioner of the International Pacific Halibut Commission *March 23, 1983*

The President today announced his intention to appoint James W. Winchester to be a United States Commissioner to the International Pacific Halibut Commission for a term of 2 years. This is a new position.

Mr. Winchester is Associate Administrator of the National Oceanic and Atmospheric Administration, Department of Commerce. Previously he was a consultant and owner of Business & Engineering Consultants, Inc.; Director, National Oceanic and Atmospheric Administration Data Buoy Office, St. Louis, Mo., in 1972-1977; vice president

and general manager of Oceanographic Services, Inc., Santa Barbara, Calif., in 1966-1972; head of field projects for the Office of Naval Research in 1956-1966; and research associate, Johns Hopkins University, in 1955-1956.

He graduated from Furman University (B.S.), Johns Hopkins University (M.A.), and the American University (M.A.). He is married, has three children, and resides in Arlington, Va. He was born November 7, 1916, in Central, S.C.

Address to the Nation on Defense and National Security *March 23, 1983*

My fellow Americans, thank you for sharing your time with me tonight.

The subject I want to discuss with you, peace and national security, is both timely and important. Timely, because I've reached a decision which offers a new hope for our children in the 21st century, a decision I'll tell you about in a few minutes. And important because there's a very big decision that you must make for yourselves. This subject involves the most basic duty that any President and any people share, the duty to protect and strengthen the peace.

At the beginning of this year, I submitted to the Congress a defense budget which reflects my best judgment of the best understanding of the experts and specialists who advise me about what we and our allies must do to protect our people in the years ahead. That budget is much more than a long list of numbers, for behind all the numbers lies America's ability to prevent the greatest of human tragedies and preserve our free way of life in a sometimes dangerous world. It is part of a careful, long-term plan to make America strong again after too many years of neglect and

mistakes.

Our efforts to rebuild America's defenses and strengthen the peace began 2 years ago when we requested a major increase in the defense program. Since then, the amount of those increases we first proposed has been reduced by half, through improvements in management and procurement and other savings.

The budget request that is now before the Congress has been trimmed to the limits of safety. Further deep cuts cannot be made without seriously endangering the security of the Nation. The choice is up to the men and women you've elected to the Congress, and that means the choice is up to you.

Tonight, I want to explain to you what this defense debate is all about and why I'm convinced that the budget now before the Congress is necessary, responsible, and deserving of your support. And I want to offer hope for the future.

But first, let me say what the defense debate is not about. It is not about spending arithmetic. I know that in the last few weeks you've been bombarded with numbers and percentages. Some say we need

only a 5-percent increase in defense spending. The so-called alternate budget backed by liberals in the House of Representatives would lower the figure to 2 to 3 percent, cutting our defense spending by \$163 billion over the next 5 years. The trouble with all these numbers is that they tell us little about the kind of defense program America needs or the benefits and security and freedom that our defense effort buys for us.

What seems to have been lost in all this debate is the simple truth of how a defense budget is arrived at. It isn't done by deciding to spend a certain number of dollars. Those loud voices that are occasionally heard charging that the Government is trying to solve a security problem by throwing money at it are nothing more than noise based on ignorance. We start by considering what must be done to maintain peace and review all the possible threats against our security. Then a strategy for strengthening peace and defending against those threats must be agreed upon. And, finally, our defense establishment must be evaluated to see what is necessary to protect against any or all of the potential threats. The cost of achieving these ends is totaled up, and the result is the budget for national defense.

There is no logical way that you can say, let's spend x billion dollars less. You can only say, which part of our defense measures do we believe we can do without and still have security against all contingencies? Anyone in the Congress who advocates a percentage or a specific dollar cut in defense spending should be made to say what part of our defenses he would eliminate, and he should be candid enough to acknowledge that his cuts mean cutting our commitments to allies or inviting greater risk or both.

The defense policy of the United States is based on a simple premise: The United States does not start fights. We will never be an aggressor. We maintain our strength in order to deter and defend against aggression—to preserve freedom and peace.

Since the dawn of the atomic age, we've sought to reduce the risk of war by maintaining a strong deterrent and by seeking genuine arms control. "Deterrence" means simply this: making sure any adversary who

thinks about attacking the United States, or our allies, or our vital interests, concludes that the risks to him outweigh any potential gains. Once he understands that, he won't attack. We maintain the peace through our strength; weakness only invites aggression.

This strategy of deterrence has not changed. It still works. But what it takes to maintain deterrence has changed. It took one kind of military force to deter an attack when we had far more nuclear weapons than any other power; it takes another kind now that the Soviets, for example, have enough accurate and powerful nuclear weapons to destroy virtually all of our missiles on the ground. Now, this is not to say that the Soviet Union is planning to make war on us. Nor do I believe a war is inevitable—quite the contrary. But what must be recognized is that our security is based on being prepared to meet all threats.

There was a time when we depended on coastal forts and artillery batteries, because, with the weaponry of that day, any attack would have had to come by sea. Well, this is a different world, and our defenses must be based on recognition and awareness of the weaponry possessed by other nations in the nuclear age.

We can't afford to believe that we will never be threatened. There have been two world wars in my lifetime. We didn't start them and, indeed, did everything we could to avoid being drawn into them. But we were ill-prepared for both. Had we been better prepared, peace might have been preserved.

For 20 years the Soviet Union has been accumulating enormous military might. They didn't stop when their forces exceeded all requirements of a legitimate defensive capability. And they haven't stopped now. During the past decade and a half, the Soviets have built up a massive arsenal of new strategic nuclear weapons—weapons that can strike directly at the United States.

As an example, the United States introduced its last new intercontinental ballistic missile, the Minute Man III, in 1969, and we're now dismantling our even older Titan missiles. But what has the Soviet Union done in these intervening years? Well, since 1969 the Soviet Union has built five new

classes of ICBM's, and upgraded these eight times. As a result, their missiles are much more powerful and accurate than they were several years ago, and they continue to develop more, while ours are increasingly obsolete.

The same thing has happened in other areas. Over the same period, the Soviet Union built 4 new classes of submarine-launched ballistic missiles and over 60 new missile submarines. We built 2 new types of submarine missiles and actually withdrew 10 submarines from strategic missions. The Soviet Union built over 200 new Backfire bombers, and their brand new Blackjack bomber is now under development. We haven't built a new long-range bomber since our B-52's were deployed about a quarter of a century ago, and we've already retired several hundred of those because of old age. Indeed, despite what many people think, our strategic forces only cost about 15 percent of the defense budget.

Another example of what's happened: In 1978 the Soviets had 600 intermediate-range nuclear missiles based on land and were beginning to add the SS-20—a new, highly accurate, mobile missile with 3 warheads. We had none. Since then the Soviets have strengthened their lead. By the end of 1979, when Soviet leader Brezhnev declared “a balance now exists,” the Soviets had over 800 warheads. We still had none. A year ago this month, Mr. Brezhnev pledged a moratorium, or freeze, on SS-20 deployment. But by last August, their 800 warheads had become more than 1,200. We still had none. Some freeze. At this time Soviet Defense Minister Ustinov announced “approximate parity of forces continues to exist.” But the Soviets are still adding an average of 3 new warheads a week, and now have 1,300. These warheads can reach their targets in a matter of a few minutes. We still have none. So far, it seems that the Soviet definition of parity is a box score of 1,300 to nothing, in their favor.

So, together with our NATO allies, we decided in 1979 to deploy new weapons, beginning this year, as a deterrent to their SS-20's and as an incentive to the Soviet Union to meet us in serious arms control negotiations. We will begin that deployment late this year. At the same time, how-

ever, we're willing to cancel our program if the Soviets will dismantle theirs. This is what we've called a zero-zero plan. The Soviets are now at the negotiating table—and I think it's fair to say that without our planned deployments, they wouldn't be there.

Now, let's consider conventional forces. Since 1974 the United States has produced 3,050 tactical combat aircraft. By contrast, the Soviet Union has produced twice as many. When we look at attack submarines, the United States has produced 27 while the Soviet Union has produced 61. For armored vehicles, including tanks, we have produced 11,200. The Soviet Union has produced 54,000—nearly 5 to 1 in their favor. Finally, with artillery, we've produced 950 artillery and rocket launchers while the Soviets have produced more than 13,000—a staggering 14-to-1 ratio.

There was a time when we were able to offset superior Soviet numbers with higher quality, but today they are building weapons as sophisticated and modern as our own.

As the Soviets have increased their military power, they've been emboldened to extend that power. They're spreading their military influence in ways that can directly challenge our vital interests and those of our allies.

The following aerial photographs, most of them secret until now, illustrate this point in a crucial area very close to home: Central America and the Caribbean Basin. They're not dramatic photographs. But I think they help give you a better understanding of what I'm talking about.

This Soviet intelligence collection facility, less than a hundred miles from our coast, is the largest of its kind in the world. The acres and acres of antennae fields and intelligence monitors are targeted on key U.S. military installations and sensitive activities. The installation in Lourdes, Cuba, is manned by 1,500 Soviet technicians. And the satellite ground station allows instant communications with Moscow. This 28-square-mile facility has grown by more than 60 percent in size and capability during the past decade.

In western Cuba, we see this military air-

field and its complement of modern, Soviet-built Mig-23 aircraft. The Soviet Union uses this Cuban airfield for its own long-range reconnaissance missions. And earlier this month, two modern Soviet antisubmarine warfare aircraft began operating from it. During the past 2 years, the level of Soviet arms exports to Cuba can only be compared to the levels reached during the Cuban missile crisis 20 years ago.

This third photo, which is the only one in this series that has been previously made public, shows Soviet military hardware that has made its way to Central America. This airfield with its MI-8 helicopters, anti-aircraft guns, and protected fighter sites is one of a number of military facilities in Nicaragua which has received Soviet equipment funneled through Cuba, and reflects the massive military buildup going on in that country.

On the small island of Grenada, at the southern end of the Caribbean chain, the Cubans, with Soviet financing and backing, are in the process of building an airfield with a 10,000-foot runway. Grenada doesn't even have an air force. Who is it intended for? The Caribbean is a very important passageway for our international commerce and military lines of communication. More than half of all American oil imports now pass through the Caribbean. The rapid buildup of Grenada's military potential is unrelated to any conceivable threat to this island country of under 110,000 people and totally at odds with the pattern of other eastern Caribbean States, most of which are unarmed.

The Soviet-Cuban militarization of Grenada, in short, can only be seen as power projection into the region. And it is in this important economic and strategic area that we're trying to help the Governments of El Salvador, Costa Rica, Honduras, and others in their struggles for democracy against guerrillas supported through Cuba and Nicaragua.

These pictures only tell a small part of the story. I wish I could show you more without compromising our most sensitive intelligence sources and methods. But the Soviet Union is also supporting Cuban military forces in Angola and Ethiopia. They have bases in Ethiopia and South Yemen,

near the Persian Gulf oil fields. They've taken over the port that we built at Cam Ranh Bay in Vietnam. And now for the first time in history, the Soviet Navy is a force to be reckoned with in the South Pacific.

Some people may still ask: Would the Soviets ever use their formidable military power? Well, again, can we afford to believe they won't? There is Afghanistan. And in Poland, the Soviets denied the will of the people and in so doing demonstrated to the world how their military power could also be used to intimidate.

The final fact is that the Soviet Union is acquiring what can only be considered an offensive military force. They have continued to build far more intercontinental ballistic missiles than they could possibly need simply to deter an attack. Their conventional forces are trained and equipped not so much to defend against an attack as they are to permit sudden, surprise offensives of their own.

Our NATO allies have assumed a great defense burden, including the military draft in most countries. We're working with them and our other friends around the world to do more. Our defensive strategy means we need military forces that can move very quickly, forces that are trained and ready to respond to any emergency.

Every item in our defense program—our ships, our tanks, our planes, our funds for training and spare parts—is intended for one all-important purpose: to keep the peace. Unfortunately, a decade of neglecting our military forces had called into question our ability to do that.

When I took office in January 1981, I was appalled by what I found: American planes that couldn't fly and American ships that couldn't sail for lack of spare parts and trained personnel and insufficient fuel and ammunition for essential training. The inevitable result of all this was poor morale in our Armed Forces, difficulty in recruiting the brightest young Americans to wear the uniform, and difficulty in convincing our most experienced military personnel to stay on.

There was a real question then about how well we could meet a crisis. And it was obvious that we had to begin a major mod-

ernization program to ensure we could deter aggression and preserve the peace in the years ahead.

We had to move immediately to improve the basic readiness and staying power of our conventional forces, so they could meet—and therefore help deter—a crisis. We had to make up for lost years of investment by moving forward with a long-term plan to prepare our forces to counter the military capabilities our adversaries were developing for the future.

I know that all of you want peace, and so do I. I know too that many of you seriously believe that a nuclear freeze would further the cause of peace. But a freeze now would make us less, not more, secure and would raise, not reduce, the risks of war. It would be largely unverifiable and would seriously undercut our negotiations on arms reduction. It would reward the Soviets for their massive military buildup while preventing us from modernizing our aging and increasingly vulnerable forces. With their present margin of superiority, why should they agree to arms reductions knowing that we were prohibited from catching up?

Believe me, it wasn't pleasant for someone who had come to Washington determined to reduce government spending, but we had to move forward with the task of repairing our defenses or we would lose our ability to deter conflict now and in the future. We had to demonstrate to any adversary that aggression could not succeed, and that the only real solution was substantial, equitable, and effectively verifiable arms reduction—the kind we're working for right now in Geneva.

Thanks to your strong support, and bipartisan support from the Congress, we began to turn things around. Already, we're seeing some very encouraging results. Quality recruitment and retention are up dramatically—more high school graduates are choosing military careers, and more experienced career personnel are choosing to stay. Our men and women in uniform at last are getting the tools and training they need to do their jobs.

Ask around today, especially among our young people, and I think you will find a whole new attitude toward serving their country. This reflects more than just better

pay, equipment, and leadership. You the American people have sent a signal to these young people that it is once again an honor to wear the uniform. That's not something you measure in a budget, but it's a very real part of our nation's strength.

It'll take us longer to build the kind of equipment we need to keep peace in the future, but we've made a good start.

We haven't built a new long-range bomber for 21 years. Now we're building the B-1. We hadn't launched one new strategic submarine for 17 years. Now we're building one Trident submarine a year. Our land-based missiles are increasingly threatened by the many huge, new Soviet ICBM's. We're determining how to solve that problem. At the same time, we're working in the START and INF negotiations with the goal of achieving deep reductions in the strategic and intermediate nuclear arsenals of both sides.

We have also begun the long-needed modernization of our conventional forces. The Army is getting its first new tank in 20 years. The Air Force is modernizing. We're rebuilding our Navy, which shrank from about a thousand ships in the late 1960's to 453 during the 1970's. Our nation needs a superior navy to support our military forces and vital interests overseas. We're now on the road to achieving a 600-ship navy and increasing the amphibious capabilities of our marines, who are now serving the cause of peace in Lebanon. And we're building a real capability to assist our friends in the vitally important Indian Ocean and Persian Gulf region.

This adds up to a major effort, and it isn't cheap. It comes at a time when there are many other pressures on our budget and when the American people have already had to make major sacrifices during the recession. But we must not be misled by those who would make defense once again the scapegoat of the Federal budget.

The fact is that in the past few decades we have seen a dramatic shift in how we spend the taxpayer's dollar. Back in 1955, payments to individuals took up only about 20 percent of the Federal budget. For nearly three decades, these payments steadily increased and, this year, will account for

49 percent of the budget. By contrast, in 1955 defense took up more than half of the Federal budget. By 1980 this spending had fallen to a low of 23 percent. Even with the increase that I am requesting this year, defense will still amount to only 28 percent of the budget.

The calls for cutting back the defense budget come in nice, simple arithmetic. They're the same kind of talk that led the democracies to neglect their defenses in the 1930's and invited the tragedy of World War II. We must not let that grim chapter of history repeat itself through apathy or neglect.

This is why I'm speaking to you tonight—to urge you to tell your Senators and Congressmen that you know we must continue to restore our military strength. If we stop in midstream, we will send a signal of decline, of lessened will, to friends and adversaries alike. Free people must voluntarily, through open debate and democratic means, meet the challenge that totalitarians pose by compulsion. It's up to us, in our time, to choose and choose wisely between the hard but necessary task of preserving peace and freedom and the temptation to ignore our duty and blindly hope for the best while the enemies of freedom grow stronger day by day.

The solution is well within our grasp. But to reach it, there is simply no alternative but to continue this year, in this budget, to provide the resources we need to preserve the peace and guarantee our freedom.

Now, thus far tonight I've shared with you my thoughts on the problems of national security we must face together. My predecessors in the Oval Office have appeared before you on other occasions to describe the threat posed by Soviet power and have proposed steps to address that threat. But since the advent of nuclear weapons, those steps have been increasingly directed toward deterrence of aggression through the promise of retaliation.

This approach to stability through offensive threat has worked. We and our allies have succeeded in preventing nuclear war for more than three decades. In recent months, however, my advisers, including in particular the Joint Chiefs of Staff, have underscored the necessity to break out of a

future that relies solely on offensive retaliation for our security.

Over the course of these discussions, I've become more and more deeply convinced that the human spirit must be capable of rising above dealing with other nations and human beings by threatening their existence. Feeling this way, I believe we must thoroughly examine every opportunity for reducing tensions and for introducing greater stability into the strategic calculus on both sides.

One of the most important contributions we can make is, of course, to lower the level of all arms, and particularly nuclear arms. We're engaged right now in several negotiations with the Soviet Union to bring about a mutual reduction of weapons. I will report to you a week from tomorrow my thoughts on that score. But let me just say, I'm totally committed to this course.

If the Soviet Union will join with us in our effort to achieve major arms reduction, we will have succeeded in stabilizing the nuclear balance. Nevertheless, it will still be necessary to rely on the specter of retaliation, on mutual threat. And that's a sad commentary on the human condition. Wouldn't it be better to save lives than to avenge them? Are we not capable of demonstrating our peaceful intentions by applying all our abilities and our ingenuity to achieving a truly lasting stability? I think we are. Indeed, we must.

After careful consultation with my advisers, including the Joint Chiefs of Staff, I believe there is a way. Let me share with you a vision of the future which offers hope. It is that we embark on a program to counter the awesome Soviet missile threat with measures that are defensive. Let us turn to the very strengths in technology that spawned our great industrial base and that have given us the quality of life we enjoy today.

What if free people could live secure in the knowledge that their security did not rest upon the threat of instant U.S. retaliation to deter a Soviet attack, that we could intercept and destroy strategic ballistic missiles before they reached our own soil or that of our allies?

I know this is a formidable, technical task,

one that may not be accomplished before the end of this century. Yet, current technology has attained a level of sophistication where it's reasonable for us to begin this effort. It will take years, probably decades of effort on many fronts. There will be failures and setbacks, just as there will be successes and breakthroughs. And as we proceed, we must remain constant in preserving the nuclear deterrent and maintaining a solid capability for flexible response. But isn't it worth every investment necessary to free the world from the threat of nuclear war? We know it is.

In the meantime, we will continue to pursue real reductions in nuclear arms, negotiating from a position of strength that can be ensured only by modernizing our strategic forces. At the same time, we must take steps to reduce the risk of a conventional military conflict escalating to nuclear war by improving our nonnuclear capabilities.

America does possess—now—the technologies to attain very significant improvements in the effectiveness of our conventional, nonnuclear forces. Proceeding boldly with these new technologies, we can significantly reduce any incentive that the Soviet Union may have to threaten attack against the United States or its allies.

As we pursue our goal of defensive technologies, we recognize that our allies rely upon our strategic offensive power to deter attacks against them. Their vital interests and ours are inextricably linked. Their safety and ours are one. And no change in technology can or will alter that reality. We must and shall continue to honor our commitments.

I clearly recognize that defensive systems have limitations and raise certain problems and ambiguities. If paired with offensive systems, they can be viewed as fostering an

aggressive policy, and no one wants that. But with these considerations firmly in mind, I call upon the scientific community in our country, those who gave us nuclear weapons, to turn their great talents now to the cause of mankind and world peace, to give us the means of rendering these nuclear weapons impotent and obsolete.

Tonight, consistent with our obligations of the ABM treaty and recognizing the need for closer consultation with our allies, I'm taking an important first step. I am directing a comprehensive and intensive effort to define a long-term research and development program to begin to achieve our ultimate goal of eliminating the threat posed by strategic nuclear missiles. This could pave the way for arms control measures to eliminate the weapons themselves. We seek neither military superiority nor political advantage. Our only purpose—one all people share—is to search for ways to reduce the danger of nuclear war.

My fellow Americans, tonight we're launching an effort which holds the promise of changing the course of human history. There will be risks, and results take time. But I believe we can do it. As we cross this threshold, I ask for your prayers and your support.

Thank you, good night, and God bless you.

Note: The President spoke at 8:02 p.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio and television.

Following his remarks, the President met in the White House with a number of administration officials, including members of the Cabinet, the White House staff, and the Joint Chiefs of Staff, and former officials of past administrations, to discuss the address.

Nomination of General Paul X. Kelley To Be Commandant of the Marine Corps

March 24, 1983

The President today announced his intention to nominate Gen. Paul X. Kelley, USMC, as Commandant of the Marine Corps. General Kelley will succeed Gen. Robert H. Barrow upon the retirement of General Barrow on July 1, 1983. General Kelley will serve as Commandant for a period of 4 years, as provided by law.

General Kelley has served as the Assistant Commandant of the Marine Corps and Chief of Staff, Headquarters, U.S. Marine Corps, since July 1, 1981.

General Kelley commanded the 2d Battalion, 4th Marines, in combat in Vietnam, where he earned the Silver Star Medal, in 1965–1966. In Vietnam in 1970–1971, he commanded the 1st Marines, the last marine regiment in combat in Vietnam. He served in various other assignments prior to

his promotion to brigadier general in 1974. As a general officer, he has served as Commanding General, 4th Marine Division, Fleet Marine Force; Director, Marine Corps Development Center; Director, Marine Corps Education Center; and Deputy Chief of Staff for Requirements and Programs, Headquarters, U.S. Marine Corps.

In February 1980 General Kelley was promoted to lieutenant general and named as the first Commander of the Rapid Deployment Joint Task Force. He was promoted to general upon assuming his current duties.

He graduated from Villanova University (B.S., 1950) and was commissioned a second lieutenant in June of that year. He is married and has one daughter. He was born November 11, 1928, in Boston, Mass.

Remarks at the Opening of “The American Cowboy” Exhibit at the Library of Congress

March 24, 1983

Thank you very much. We have just had a tour of the exhibit, and as we went along I kept looking and looking for something from “Cattle Queen of Montana.” [*Laughter*] I wasn’t the cattle queen—Barbara Stanwyck was. [*Laughter*] And I did one called “Cowboy.” [*Laughter*]

Dr. Boorstin and distinguished guests, it’s a pleasure to help open this American Cowboy Exhibit at the Library of Congress. This may mark the beginning of a new era in Washington—some sorely needed horse sense has finally come to Capitol Hill. [*Laughter*] I could carry on from there, but I won’t. [*Laughter*]

Some of you may be aware of my fondness for Western art. And in the last couple of years, we’ve tried to bring its influence to the White House—a natural home for a very American expression. Like that art,

this exhibit can remind those of us who work or visit here what America is all about. If we understand this part of our history and our continuing fascination with it, we will better understand how our people see themselves and the hopes they have for America.

Another President from the West, Dwight Eisenhower of Abilene, Kansas, once said, “Whatever America hopes to bring to pass in the world must first come to pass in the heart of America.” Well, I think America’s heart is on display here. This exhibit explores both the reality and the myth of the American West. And both are important. Here are more than the bits and pieces of a rough and gritty life, but the tangible remnants of a national legend.

Among the horsehair lassoes and Remington sculptures and Gene Autry songs is a

part of our national identity. Tails of Wild West men and women from Kit Carson to Wild Bill Hickok to Calamity Jane to Annie Oakley are woven into the dreams of our youths and the standards we aim to live by in our adult lives. Ideals of courageous and self-reliant heroes, both men and women, are the stuff of Western lore.

It all comes back as you browse through this exhibit. The difference between right and wrong seems as clear as the white hats that the cowboys in Hollywood pictures always wore so you'd know right from the beginning who was the good guy. Integrity, morality, and democratic values are the resounding themes.

Life wasn't that simple then, and it certainly isn't today. But in the words of a noted historian, "Americans, in making their Western myths, were not put off by discrepancies with reality. Americans believed about the West not so much what was true, but what they thought ought to

be true." He went on, "Lacking the common heritage that bound other nations together, they were forced to look elsewhere for the basis of their national existence. And they found it in the West."

While this exhibit is here, I hope all of Washington takes time to get to know the American cowboy again. And as the exhibit travels from city to modern city, I hope it reinforces the glue of a very good society, born and bred in the wide open spaces.

And again, for all who had anything to do with this, I thank you all very much.

Note: The President spoke at approximately 8 p.m. to invited guests at the James Madison Memorial Building of the Library of Congress. Prior to his remarks, the President toured the exhibit with Mrs. Reagan, Daniel J. Boorstin, Librarian of Congress, and Harry J. Gray, chairman of United Technologies Corp., which donated funds for the exhibit.

Proclamation 5035—National Maritime Day, 1983

March 24, 1983

*By the President of the United States
of America*

A Proclamation

The restructuring of longstanding Federal maritime policies constitutes a high priority of my Administration.

Considerable progress has been made in removing unnecessary regulatory constraints which contribute to inefficiency and increased costs of our shipping and shipbuilding. These efforts will continue and will greatly enhance our maritime posture. Over the next few years, new generations of efficient and productive merchant ships will improve the competitiveness of our fleet.

These and other announced policy initiatives are part of my firm commitment to provide the foundation upon which to build and maintain the strong merchant marine needed to serve the Nation's waterborne commerce and national defense require-

ments.

In recognition of the importance of the American merchant marine, the Congress, by joint resolution of May 20, 1933, designated May 22 as National Maritime Day and requested the President to issue annually a proclamation calling for its appropriate observance. This date was chosen to commemorate the day in 1819 when the SS SAVANNAH departed Savannah, Georgia, on the first transatlantic steamship voyage.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate May 22, 1983, as the fifty-first observance of National Maritime Day. I urge the people of the United States to honor our American merchant marine on that day by displaying the flag of the United States at their homes and other suitable places, and I request that all ships sailing under the American flag dress ship on that day.

In Witness Whereof, I have hereunto set

my hand this 24th day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:45 p.m., March 25, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on March 25.

Appointment of Lee Verstandig as Acting Administrator of the Environmental Protection Agency

March 25, 1983

The President is today designating Lee Verstandig to be Acting Administrator of the Environmental Protection Agency. He will succeed John W. Hernandez, Jr.

Since February 1983 Dr. Verstandig has been serving as Acting Assistant Administrator of the Environmental Protection Agency for Legislation. He was Assistant Secretary for Governmental Affairs, Department of Transportation, in 1981–1983. He was administrative assistant and legislative director to Senator John H. Chafee in 1977–1981; associate dean of academic affairs and

dean of political affairs for special studies at Brown University in 1970–1977; professor of history and political science at Roger Williams College in 1963–1970, and served as its department chairman in 1965–1967.

Dr. Verstandig graduated from Franklin and Marshall College, the University of Tennessee, and Brown University. He has authored numerous articles and books on government, political history, education, and public policy. He was born September 11, 1937, in Memphis, Tenn., and resides in Washington, D.C.

Appointment of Lee M. Thomas as Acting Deputy Administrator of the Environmental Protection Agency

March 25, 1983

The President is today designating Lee M. Thomas to be Acting Deputy Administrator of the Environmental Protection Agency. He will succeed John W. Hernandez, Jr.

Since February 1983 Mr. Thomas has been serving as Acting Assistant Administrator of the Environmental Protection Agency for Solid Waste and Emergency Response. He served as Associate Director of the Federal Emergency Management Agency (State and Local Programs and Support) in 1981–1983. Mr. Thomas managed all disaster relief efforts at the Agency and was Chairman of the President's Task Force

on Times Beach, Missouri. He was director, Office of Public Safety, Governor's Office, South Carolina, in 1980–1981; an independent consultant in 1978–1980; director, Office of Criminal Justice, Governor's Office, South Carolina, in 1972–1978; research analyst, South Carolina Department of Corrections, in 1970–1971; and probation officer, Richland County, South Carolina, in 1968–1970.

Mr. Thomas graduated from the University of the South (B.A.) and the University of South Carolina (M.Ed.). He has two children and resides in Ridgeway, S.C. He was born June 13, 1944, in South Carolina.

Remarks and a Question-and-Answer Session With Reporters on Domestic and Foreign Policy Issues March 25, 1983

Employment and Social Security Legislation

The President. I have an opening statement here—and good morning. It's a short statement.

I'd like to thank the Members of Congress on both sides of the aisle for helping us address two issues of great significance to the American people.

For all our senior citizens who worried about receiving their social security benefits and for the present-day workers concerned about the solvency of that system, I think a dark cloud has been lifted. Shortly after 2 o'clock this morning, the Congress completed action on the bipartisan social security solvency program. And by working together in our best bipartisan tradition, we have passed reform legislation that brings us much closer to ensuring the integrity of the social security system.

As you know, I've pledged repeatedly that no American who depends on social security would ever be denied his or her check. But I warned those who were making this issue a political football that the system did have real problems and that only through hard work, not demagoguery, would we be able to solve them. Well, for the sake of our people, I'm gratified that great good sense did prevail over partisan concerns.

I was also pleased to sign last evening a bill that guarantees continued unemployment insurance benefits and that provides funds to expand employment opportunities available in Federal programs during the present Federal [fiscal] year.

Now, this bipartisan legislation approves supplemental appropriations totaling \$4.6 billion for various construction, renovation, and repair activities. And it provides authority for humanitarian assistance through food donations and other related efforts. By accelerating various Government projects already budgeted for future years, this legislation avoids the costly error of creating a multibillion-dollar, make-work job program,

the sort of expensive mistake the Federal Government made too often in the past. In fact, all of the employment-generating activities funded under this bill will add virtually nothing to the Federal deficit, if the higher spending in 1983 is offset by compensating reductions in future appropriations for these same activities.

Let there be no confusion on one essential point. Even as this bill becomes law, the signs are clear that economic recovery is already underway, a recovery that'll bring far more jobs to unemployed Americans than could ever be created by new Federal jobs programs. Make-work jobs are just temporary at best. And we know that from past experience. More government spending for such jobs will only crowd out private borrowing for private jobs, raise the deficit and reverse our dramatic progress in bringing down inflation and interest rates.

So, I'm asking all Members of the Congress to work with me to hold down spending and taxes in the same bipartisan spirit that's brought us such great progress on jobs and social security. Working together, avoiding a return to narrow partisanship, we can ensure a recovery that's strong and long lasting.

And now, because I believe in the sanctity of contracts, where is Sarah McClendon [McClendon News Service]?

Q. Yes, sir. Right here. [Laughter]

The President. Right there.

U.S. Commodities and Foreign Policy

Q. Thank you so much for recognizing me.

Sir, you're about to embark on a long and complicated scientific exploration for war and death. Why cannot we have just as concentrated a program on trying to solve the mess by seeking better human relations, U.S.A.-style, with the Soviet Union and other countries? Why don't we sell for cash some of the 190,000 tons of butter we're paying to store daily and daily adding to? The Soviets need butter desperately; the

starving babies in Africa, who can drink the milk reprocessed from the butter. We have other surplus commodities. Why cannot we explore whether better living through sharing of food and consumer goods will make people turn from their warlords and bring about peace?

The President. Well, Sarah, I think that what you have been asking literally is being answered. First of all, we are going to continue not only in the area of disarmament but every other way we can to convince those who seem to be expansionists today that there is a better course if they're willing to come forth and join the family of nations that want to go forward together in peace and freedom.

With regard to the food, the only restraint on that—we are adding to the commodities that we've held in storage under our own laws and regulations here—we're adding to the number of those—the amount of those that is going to be redistributed to the people of need, whether here or worldwide. But the one restraint that I mentioned is, we have to be sure that in doing that, we don't just add further problems to the agricultural community by, in that disposing, interfering with or wiping out their potential markets.

So, it's a line that has to be walked. And we've been very careful with that. We have internationally made some of these things and these dairy products available, but in each time we have had to work very carefully so as not to either deprive our own farmers or deprive other allies and friends of ours of their commercial markets.

Nuclear Defense Proposal

Q. Mr. President, why did you make that proposal now, in the light of the arms race that is going on with the Soviet Union, so to speak, and the negotiations over in Geneva, at a time when the budget is being beaten up in Congress because of the higher defense spending that you want? Why would you put that proposal out now?

The President. I put it out now, because what better time? I've been having this idea, and it's been kicking around in my mind for some time here recently. And constantly I have thought about the fact that the nuclear missile seems to be one of the

only major weapon systems in history that has never produced or brought about a defense against itself. And I brought this up one day in a meeting which the Chiefs of Staff were present and others, and we talked about it and discussed it and then discussed it some more. And since we don't know how long it will take or if—or ever, that we have to start—the quicker we start, the better.

But it is inconceivable to me that we can go on thinking down the future, not only for ourselves and our lifetime but for other generations, that the great nations of the world will sit here, like people facing themselves across a table, each with a cocked gun, and no one knowing whether someone might tighten their finger on the trigger.

There is one way, and the way we're pursuing, which is to see if we can get mutual agreement to reduce these weapons and, hopefully, to eliminate them, as we're trying in INF. There is another way, and that is if we could, the same scientists who gave us this kind of destructive power, if they could turn their talent to the job of, perhaps, coming up with something that would render these weapons obsolete. And I don't know how long it's going to take, but we're going to start, because I'm going to be signing an executive directive very shortly, when I get out of here.

Helen [Helen Thomas, United Press International]?

Q. Mr. President, the Soviets don't see it your way at all in terms—they say that you are, in fact, accelerating the arms race, that we are violating the ABM treaty, and that it's almost that you've thrown down the gauntlet.

The President. Well, maybe they're looking at us in a kind of a mirror image. They're having us think like they think.

First of all, it doesn't violate the ABM treaty. We've just extended that for 5 years. The ABM treaty has to do with deployment. There is nothing in it that prohibits research, which is what we're calling for. I'm quite sure that whatever time it would take and whatever President would be in the White House when, maybe 20 years down the road, somebody does come up with an answer, I think that that would

then bring to the fore the problem of, all right, why not now dispose of all these weapons since we've proven that they can be rendered obsolete?

Q. But we have had the—the mutual deterrent has kept the peace, the mutual destruction approach, for 40 years. And are you moving away from that, the fear of mutual destruction?

The President. Yes, but that's it—it's, as I say, it's like those two fellows with the loaded guns, cocked and ready. Yes, we have. I think that—but remember that, for a great part of that period, we proved, I think pretty definitely, that we are not expansionists, that we're not aggressive, because we had, to begin with, a monopoly. And then, for a number of those 30 years, we had such a superiority, as witness the Cuban missile crisis.

When they blinked I think it's safe to say it was because our superiority at that time was about eight to one. And, if you'll recall, the Russian involved in those, are very high up in the Politburo, involved in that particular incident said within the hearing of his counterparts on our side that they would never again be caught in that position. And they started their dramatic military build-up.

So, you can't say that we have sat here even and with the great amount of weapons that both sides have today for those 30 years. For a long time, and as I say again, we proved—you have to ask yourself how many nations in the world could have had the monopoly that we had and not have taken advantage of it, and we didn't.

Remember I said—what I said about the back of the room? I've got to go—right there—you.

Q. Mr. President, five more—sir, did you mean—

Q. Me?

The President. You, yes.

Taxes

Q. Mr. President, with oil prices declining, would you support some sort of energy tax increases?

The President. Well, we have one right now—the 5-percent tax—but that's truly a users fee.

I don't believe that we should be looking

at tax increases right now. With this recovery at the stage it is, I think we've proven our point that our system, in spite of all the maligning that took place before it was even underway and having a chance to operate, has proven its success. We are definitely into a recovery. And to pick this time now to raise taxes in any way is risking setting back this recovery.

Q. So, you're ruling out any kind of tax increase, even on energy?

The President. I'm opposed to a tax increase right now.

Q. As a followup to that, do you also oppose even the standby taxes that you previously agreed to? Do you want Congress to put in place this year a mechanism for standby taxes next year, or have you also backed off of that?

The President. Well, I'll tell you, I'm still considering on that. But I want you to recall also that that tax could not have been triggered unless recovery was established definitely and that the economic crisis was past, and also that the Congress had agreed to the spending reductions that we believe will keep that recovery going. And so far—

Now, the gentleman who tried before, and then I'll come down front here.

Environmental Protection Agency

Q. Mr. President, we learned today of five more top-level resignations from the Environmental Protection Agency. These are all people who've been caught up one way or another in the congressional allegations. Doesn't this really look bad? And how can you reassure the people that the agency is operating properly?

The President. I don't think it necessarily looks bad. I think what is happening there and with the new director coming in, there is—some of these individuals that have been through this whole thing. And I know that some of them, just as Anne Burford did, and all of those who implied that some way this was engineered—no. I never would have asked for her resignation.

Anne Burford, for one, and some of these others feel that there will be far more chance of success of the Agency continuing to function, that they can contribute by leaving. And I think that, as I thought of

her, that it was a very generous thing and thought for her to have. And it's true, because I think with all of the allegations and all of the accusations, in spite of the fact that no proof of any wrongdoing has been presented in all of this fuss as yet, that this is what's back of—some of those, I can't speak for all, but some of those have let us know for quite some time that they wanted out. They wanted to leave.

Arms Reduction

Q. Mr. President, are you going to offer a proposal for interim arms reduction in Europe next week? And are you going to continue to stick with Mr. Adelman, your nominee for Arms Control Director, even though he appears to have been talking about personnel matters in the memos that were released?

The President. Bill [Bill Plante, CBS News], I'll answer the last part first. You bet I'm sticking by Mr. Adelman. How someone can be hung out to dry for having received a letter from someone else—he didn't write the letter; he received it.

Q. But he did write a memo, sir, which was released yesterday.

The President. All right. But isn't this natural, that someone who is in a position of assuming the directorship of an agency or department or commission or whatever it might be is going to make inquiries of people on the scene with regard to personnel and so forth?

And it was perfectly natural—I've done it

myself—that, when the letter came, he passed it to an aide for one who is collecting all the information that he would, then, have to deal with when he was in the job.

And I think he is excellently qualified. And I think that the fuss that has been raised about him, again, smacks of people smaller than the person they're attacking—attacking someone who's bigger than they are.

Ms. Thomas. Thank you. Are you—

Q. The first part of the question. Did you want to—

The President. What?

Q. Did you want to answer the first part?

The President. Oh, the first part of the question. I knew there was—I talked too long on that other part.

And the first part is—all I can say is: Tune in next week. I will be speaking to the subject of our disarmament proposals and so forth next week. But there's nothing to comment on today.

Q. Thank you.

The President. Helen said "thank you."

Q. You can overrule her if you want. You're the President. [Laughter] You're the boss. [Laughter]

The President. Helen, you never told me that. [Laughter]

Ms. Thomas. If elected, I will serve. [Laughter]

Note: The President spoke at 11:10 a.m. in the Briefing Room at the White House.

Appointment of Ellen F. Paul as United States Representative on the United Nations Commission for Social Development

March 25, 1983

The President today announced his intention to appoint Ellen F. Paul to be the Representative of the United States of America on the Commission for Social Development of the Economic and Social Council of the United Nations. She will succeed Ruth Schachter Morgenthau.

Ms. Paul is research director for the Social Philosophy and Policy Center and as-

sociate professor of political science at Bowling Green State University in Bowling Green, Ohio. Previously, she was national fellow at the Hoover Institution in 1980–1981; assistant professor at the University of Colorado (Boulder) in 1980–1981; visiting assistant professor at Miami University (Ohio) in 1977–1980; visiting fellow in government at Harvard University in 1976–

1977; and teaching assistant in American political theory at Harvard in 1971–1972.

She graduated from Brandeis University (B.A., 1970) and Harvard University (Ph. D.,

1976). She is married and resides in Bowling Green, Ohio. She was born October 18, 1948, in New York, N.Y.

Appointment of 10 Members of the Advisory Committee for Trade Negotiations

March 25, 1983

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Negotiations for terms of 2 years:

Legree S. Daniels is chairperson of the National Black Republican Council in Washington, D.C. She was born February 29, 1920, and resides in Harrisburg, Pa.

Murray H. Finley is president of the Amalgamated Clothing and Textile Workers Union in New York, N.Y. He was born March 31, 1922, and resides in Guttenberg, N.J.

Simon C. Fireman is chairman of the board of Aqua Leisure Industries, Inc., in Avon, Mass. He was born September 10, 1925, and resides in Quincy, Mass.

Benjamin Frank is corporate vice president of Allied Stores Corp. in New York City. He was born February 10, 1934, and resides in New York, N.Y.

Russell L. Hanlin is president and chief executive officer of Sunkist Growers, Inc., in Sherman Oaks, Calif. He was born November 18,

1932, and resides in Pasadena, Calif.

Henry Y. Hwang is chairman, president, and chief executive officer of the Far East National Bank in Los Angeles, Calif. He was born November 28, 1929, and resides in Pasadena, Calif.

Kenneth A. Lazarus is a partner in the Washington, D.C., law firm of Ward, Lazarus & Cihlar. He is also an adjunct professor at Georgetown University Law Center. He was born March 10, 1942, and resides in Oakton, Va.

Gerald J. Lynch is consultant to the chairman of the board of Colt Industries, Inc., in Burbank, Calif. He was born February 22, 1906, and resides in San Marino, Calif.

W. Jarvis Moody is chairman, president, and chief executive officer of American Security Corp. He was born April 23, 1928, and resides in Bethesda, Md.

Edmund T. Pratt is chairman and chief executive officer of Pfizer, Inc., in New York City. He was born February 22, 1927, and resides in Port Washington, N.Y.

Question-and-Answer Session With High School Students on Domestic and Foreign Policy Issues

March 25, 1983

The President. Well, welcome here to the Executive Office Building, and I want the viewers to know that you and I have just met and not even individually met but just in this ways, and I don't have any idea what you're going to ask. But we'll get right to it, and I understand someone has been designated to ask the first question.

Environmental Protection Agency

Q. Mr. President, my name is Wiley

Asher. I go to Cherokee High School in Denver, Colorado. Hazardous amounts of lead were found in a Dallas schoolyard and hundreds of young children have toxic levels of lead in their blood. This morning you fired Mr. Hernandez, who stopped the cleanup of this waste site. Under the new EPA headed by Mr. William Ruckelshaus, how will these tragedies be avoided in the future? And how will the Agency reconcile

the mistakes of the EPA under Mrs. Burford?

The President. Well, first of all, may I simply correct the basis for your question—and yet, I understand the base for it, because you're repeating the way the story has been reported. And the reporting leaves something to be desired.

First of all, Mr. Hernandez was not fired. Mr. Hernandez has been wanting to resign and, I think, understandably so, because of all the thing that's been going on on the part of the congressional committees and so forth. And Mrs. Burford resigned only—not by anyone else's decision, but her own, because she felt that as long as she was there they were going to keep on this harassing of the Agency.

I believe the Agency's been doing a good job. But let me explain about Dallas and the nearby plant and the belief that there is this increase in lead pollution because of the smoke emissions from that particular plant.

You have to recognize that many of these things were done—such as the toxic waste dumps—at a time when no one was knowingly exposing people to a hazardous substance. We just didn't understand those things. It wasn't too many years ago that one of our most noted scientists received the annual gold medal for discovering that if you put lead in the gasoline, the automobile engines would run better. Then a few years later we discover that it's hazardous and we have to take the lead out. Well, the same thing is true of many toxic wastes.

The EPA—I don't know what the delay has been with that particular installation, but you have to recognize that we're discovering now that there are thousands and thousands of dumps, some of them abandoned from years past. And we're trying to catalog and find all of them. And then you have to find out are they definitely hazardous now to people and what is the degree of hazard. And then you set your priorities by which are the most dangerous now. Let us get those fixed up and cleaned up now.

And so far, I know that the department has named, as to hazardous waste dumps, about 450 or so. And they've worked it down to about a hundred that they believe require the most urgent attention, immediate attention. But this is the explanation

back of all of this, and actually the record is very good on the part of the Agency.

The thing that kicked it up—and I just can't help but get this one line in. When these congressional committees began their oversight and wanted to know what was going on, we made available to them some 800,000 documents and withheld less than a hundred documents, because they were already—these were documents pertaining to legal cases, litigation involving some concern, individual, or company that might be involved in a suit over pollution. We invoked executive privilege, because that kind of a document, if you make it public, you may prejudice your case and you may not be able to proceed with the litigation and because the information in there is very confidential and is the kind that, say, a prosecutor develops when he's getting ready to prosecute a case. And the whole fuss was raised over that.

Well, finally, when the people began to suspect and feel that there was some wrongdoing, that's when we said, "Well, wait a minute. We'll make all of them available so they haven't got any complaints." And this is what we've done.

People's Republic of China and Taiwan

Q. Mr. President, my name is Michael Tropeano from—[inaudible]—High School in Hanson, Massachusetts. Mr. President, the United States has recognized Taiwan as a free nation. How has this affected our relations with the People's Republic of China during your term as President?

The President. Well, the question of Taiwan and the People's Republic of China will remain a sore spot in our developing of relations with the People's Republic. We've explained our position. And it isn't that we've recognized Taiwan as a nation. The problem is that the Government of Taiwan fled there in the face of the Communist revolution in Mainland China some years ago. So, you've got a government that still claims it was the legitimate Government of China. And you've now got the new Communist Government of China that claims it's the Government of the People's Republic.

And we have said—because for a number

of years, the government that fled to Taiwan had been allies in World War II, an ally of the United States, and they had remained a very firm ally and friend of ours—and we have said to the Government of the People's Republic of China we believe that we can be friends to both. And the decision as to how you, between you, resolve this is an internal problem belonging to the Chinese people to settle that question.

But as far as we're concerned, we don't believe that in order to make another friend, we should discard a long-time ally and friend—the people on Taiwan. And as a matter of fact, I myself have said to some of the representatives of the People's Republic that we would think that they would have more confidence in us if they knew that we didn't discard one friend in order to make another. That should indicate to them that we'd be a good friend to them, too.

And the controversy still goes on. I think it's been eased somewhat. But neither side wants to give in. And as we've said, hands off as to what the ultimate decision is. That's up to them to work out.

Q. Mr. President?

The President. Yes. I'm going to have to go back in the—

Unemployment

Q. Hi, my name is Barbara Harper. I'm from Redford High School, which is located in Detroit, Michigan. And my question is, last night you signed a new jobs bill which was, hopefully, to eliminate the unemployment. My question is: Will the jobs bill help alleviate the unemployment among black teenagers, which have been hit the hardest?

The President. We think, yes, it will because of some provisions that are in that bill as well as some other programs we have. And what those programs are aimed at is retraining for the newer kind of jobs that we're going to have to have in this country.

Unfortunately, there's been a structural change. Many people that have been laid-off in certain industries will find that their jobs will never again exist. But at the same time, if you read the Sunday papers and read the help wanted ads, you'll find employers in all this time of unemployment advertising for people to come work. But if you read the qualifications, you find that

these are for the newer type jobs like in high technology. And there just aren't people trained for those jobs. So, we have training programs aimed at the presently unemployed, aimed at young people and so forth to train people in the various communities and sections of the country in connection with private enterprise and local authorities for the jobs that are going unfilled in those areas.

Some of the job-training programs in the past, when they were done by the Federal Government, did not pay any attention to whether they were training people for jobs that might not even exist in the area where they are being trained. We're going to try and say, "Well, okay. What are the jobs that are available here?" And train for them.

And we also—of course, the real answer to unemployment is going to be what is going on now. And that is the recovery from the recession. The other month ago when unemployment dropped four-tenths of a percentage point just in that 1 month—that was just due to the improvement in the economy—that would have taken a \$5 billion jobs project of the Government to try and make the same number of people employed.

So, yes, that's going to be the last thing to recover. It always is in a recession. But we're going to work at it as hard as we can.

Q. Mr. President?

The President. Yes?

U.S. Foreign Assistance

Q. My name is Kareem Ghiaey from Burbank High School in Burbank, California. My local paper, the Burbank Daily Review, published an article stating that from 1946 through 1981, we have spent \$2.3 trillion in foreign aid. My questions are: What is the significance of this program, and what have we gotten out of it? And how much more are we going to give away? Why are we giving a credit of \$68 million to the People's Republic of China, a Communist country? And why are you proposing to send \$60 million of our money away to El Salvador when you are cutting social programs left and right? Why don't we take care of our own people first?

The President. Well, number one, we are

taking care of our own people first. The social reform, the social programs, domestic programs in this country have grown at a fantastic rate over the last decade or so. And today, we're providing meals, 95 million meals a day, the Government is. There are more people by some 4 million receiving food stamps as received them 1980, before we came here.

The talk about cutting the budget is just—we all use the expression, but it isn't true. Now, let me explain, if I can very simply, what happens.

You have to, when you make a—give a budget, under the law, you have to project for 5 years where these programs and where this budget is going to go and what it will be in 1985, '6, '7, and '8, in addition to 1984. All that we have done since we've been here is cut the increase in growth of the budget. Each one of our budgets has been bigger than the one before. But when we came here, the Government was increasing its spending by 17 percent a year. And this is why the taxes kept on having to be increased. We have reduced that by about half or better, that rate of increase. But we have not cut back on these programs, nutrition programs, and so forth. We've just reduced the rate of increase in them.

Now, the foreign aid connection. All of the free world is engaged in that, and not only the free world, the People's Republic of China, also. This is aid to the developing countries. And, since the figures you gave went back to 1946, remember, that includes the Marshall plan. We were the only nation, when World War II ended, that had not been devastated by war—factories blown up and railroads gone and powerplants and so forth, no longer existing because of the bombing and destruction. And we came up with the Marshall plan, a program to not only help our allies rebuild but to help even our enemies.

Tokyo—I remember my first time there a few years ago, standing there and looking out a window at the whole skyline, and a Japanese gentleman telling me that when the war ended, that was just devastation, ruins. There was no city. Our firebombings had done that. And then he told me—and, literally, with tears in his eyes—how we, the

enemy that they had attacked, we came in with the funds and the money to rebuild and to reopen factories and to bring in food for their people.

Now, what we're trying to do is, as we develop or help these other countries develop, they then can join the family of nations, and they become not only an exporter of things that they can produce, they become consumers of the things that we have to sell. And I think that this has been a fine thing, as well as a humanitarian thing, that we're doing. But we're joined in this, to the limit of their ability, by our allies, by other countries in the world. It's a worldwide thing that's going on.

With regard to El Salvador, the money is going there for one reason. El Salvador, after a half a century of being a military dictatorship—no human rights as we see them and believe in them—a few years ago elected a government democratically and started on the road to becoming more like the democracies. A year ago, they held another election, in the time of all this strife with the guerrillas.

The guerrillas are not a group of peasants who just have taken their muskets in hand and wanted to stage a revolution because the government was tyrannical. They are trained military personnel, armed by way of the Soviet Union and Cuba, through Nicaragua, which has become a Communist base in this country, by its own admission. One of the leaders of the guerrilla fighters the other day publicly stated, yes, they were a friend of the Soviet Union; yes, they intended to bring communism to the Western hemisphere.

Eighty-three percent of the people turned out in the election a year ago. The guerrillas threatened to shoot people for going to the polls. The people weren't intimidated. They demanded their right to vote, and they did vote. So, the government is there reflects the will of the people.

We're trying to help that government against this assault by the guerrillas, the armed guerrillas, and help its economy so that it can become more democratic, as Costa Rica and Honduras have become. And this is why we're sending that aid there. And we're sending \$2 dollars in aid,

for economic aid, to every \$1 of military aid.

Now, I'd better go toward the back of the room back there. Young lady right—you. Yes?

Defense Spending

Q. My name is Pamela Keniston. I go to Denver Christian High School in Denver, Colorado. Mr. President, in a Democratic rebuttal to your speech last night, it was suggested that you implied American military inferiority because you are afraid your defense budget will be trimmed by Congress and you want to take our attention off of the economic disasters brought on by your policies. How do you respond to this view?

The President. I respond to that one, first of all, as to want to take people's attention off the "failures" of my economic policy—you know, they started calling it a failure, on the other side of the aisle, before it had even been put in place. We hadn't even started it yet. And they kept on while—it takes a little while to get a recovery going. But now this thing they've named "Reaganomics" when they didn't think it was working—[laughter]—I'm wondering what they're going to call it now that it is working.

The economy, in this first quarter, has gone up 4 percent—the growth in gross national product. That is an astounding figure. And we've got to go back a lot of years before we find anything comparable. Inflation, which was 12.4 percent, has for the last 6 months been running at only four-tenths of 1 percent. And last month there was no inflation rate; in fact, there was deflation by two-tenths of 1 percent. Interest rates that were 21½ are now down to 10½, and they're still going lower. The automobile industry is recovering and showing growth. The building of new houses has picked up to what it was several years ago. Incidentally, this deflationary figure—also in December we had deflation instead of inflation—this is the first time this has happened since 1965.

So, I don't want to take the people's minds off our economic program at all. I think it's doing fine. But with regard to the defense budget, for someone who came

here pledged to cut spending, why would they think that I might want to increase spending if it wasn't necessary? And it is necessary.

In the decade of the seventies, we let our military go down, as I said in my speech, to the place that there was a dangerous window of vulnerability. We have set out, in these 2 years past, to close that window of vulnerability. At the same time, we have three teams in Europe—two in Geneva and one in, I think, Vienna, that one is working on getting the Soviet Union to join us in the reduction of conventional weapons. The other two are trying to persuade them to join us in reducing and, hopefully, eliminating nuclear missiles entirely. In order to get them to come to that negotiating table—they are so far in front of us, ahead of us in military strength, that it was only that when they saw that we were determined to rebuild our defenses—and they know that they cannot over a long period of time match us in that; they are no match for our industrial might—this is why they came to the table and are willing to negotiate with us. They're being stubborn, but they're there and they're talking.

If they saw us cut back and go back to where we were, unilaterally cutting our own buildup and reducing our own military strength, they wouldn't be at that table. They'd say, "We don't have to disarm with them. They're going to disarm by themselves." And the people who've said this on the other side of the aisle, I have to tell you—and I don't care if they're listening—they're talking through their hats, and they don't know what they're talking about. [Laughter]

Q. Mr. President?

The President. All right—right there.

Views on the Presidency

Q. Mr. President, my name is John Sapp. I'm a student at Notre Dame High School in Harper Woods. If you knew what you know now back then in 1981, would you have still run for the Presidency? [Laughter] And what has been the highest and the lowest points of your experience as President?

The President. Well, yes, I would have run.

I didn't have any illusions about it. Having been Governor for 8 years of California, which is not only the most populous State in the Union but, you know, it's the closest thing to the Federal Government—great difference, of course, in scale. But California, if it were a nation, would be the seventh ranking economic power in the world. So, I thought that I had a pretty good idea of what I'd be up against. There weren't too many surprises in this job.

Now, what were the high and the low points. Well, I think—I couldn't single one high point out. I would say that the succeeding in the first 2 years in getting most of the economic program we wanted—remember, for those people that are criticizing our economic program, they never gave us all we want. In the House of Representatives the other party is in control, and we do have a majority in the Senate. But to see the program actually get underway—much of it based on things that we'd done in California in what was a tough economic time there, too—that was a high spot.

Another high spot for me is the very subject we've been talking on in the military. When we came here we had airplanes that couldn't fly for lack of spare parts. We had ships that couldn't leave harbor, because they either lacked spare parts or crew—didn't have enough crew to sail. Our volunteer military was supposed to be a failure; we couldn't keep people in the service, and the career officers and so forth were resigning. And today we have a waiting line. Today we have the highest percentage of high school graduates we've ever had in the military, at the present. They're proud to be there. And we can provide the gasoline and the ammunition for training and so forth. And to see them and their pride in that job just puts a lump in my throat every time I see them. And for people that say I would like a war, no, you can't look at those young men and women in uniform and ever think that you'd want to send them out into a war.

In my book, as long as they're there and as good as they are, they're peacekeepers. No one's going to challenge us. That's a high spot.

And the third high spot is, in all this time

of trouble with so many people suffering because of the recession, we turned to the private sector with what we called a private sector initiative, and we had a nationwide committee to go out and see how could we develop the private sector to take over some of these things and do some of these things as they always used to do it—neighbor helping neighbor. And it has been so successful that in all this time of economic distress, private giving to worthy causes, to charity, to helping neighbors, has never been greater in the history of the United States than this.

The low point—there've been several of those, but I suppose, if you don't mind my saying it, maybe the low point came when I got out of the car and walked into the emergency room of George Washington Hospital—[laughter]—and was told I'd been shot. [Laughter] I thought that the Secret Service man piling in on top of me in the car had maybe broken a rib. I knew I hurt, but I didn't know I'd been hit. And I had a bullet just about 1 inch from my heart.

Q. I'm glad you recovered.

The President. What's that?

Q. I'm glad you recovered.

The President. Thank you very much.

Yeah?

Environmental Protection Agency

Q. My name is Bill Stroud from—[inaudible]—Michigan. Mr. President, our Close-Up group was scheduled to have a meeting with James Medas¹ on Tuesday morning of this week; but he didn't show up, and another speaker took his place. Would you please explain Mr. Medas' involvement with the EPA? And, specifically, has he been taken out of circulation because of involvement in trying to influence the EPA in choosing sites differently for political reasons?

The President. No, there are several individuals over there who have been feeling—and now that we have named a new director—have been feeling that—like Mrs. Burford felt—that as long as they're there, they're going to be a focus for this kind of

¹ Special Assistant to the President for Intergovernmental Affairs.

attention, which is interfering with the Agency's doing its job.

But let me again call to your attention: There has been no proof provided by any of those committees that there has been any wrongdoing at all. And if there is any wrongdoing, I want to be the first to know about it, because you, the people, have a right to expect that your government—I consider should be as moral and be as sacred as the temples of worship in this country. But so far, as I say, there has been no proof of anything of that kind.

I don't know why he failed to show up for an address. Maybe it was because one of those committees called for him to appear before the committee. That takes precedence in this government of ours, whether it's a Cabinet member or who it is, whenever it happens.

But I'm convinced that when the record is known of what we have accomplished, they'll find that in these last couple of years that Agency has performed well.

Q. And—

Q. Mr. President—

Q. —is he still under—and any other members—still under investigation at this time?

The President. Every allegation—I would have to say yes, for this reason: that every allegation and accusation that has been voiced by the Congress I have ordered the Justice Department and the FBI to investigate. So, that doesn't imply guilt. That just implies our willingness to show that we want all of the facts and all of the truth.

The young lady right—no. Right back of you—no, you. Yes.

Social Security

Q. Mr. President, my name is Laurie Glogoski. I'm from Garden City, Michigan, and attend Divine Child High School. In your first State of the Union address, you explicitly stated that you'd protect the poor and the needy. Yet, your social security cutbacks have directly and dramatically placed further burden on the widows and orphans you promised to protect. And at the same time, you continue to channel enormous sums of money out of the country. Should we not provide for our own here at home before we attempt to provide for antidemo-

cratic systems abroad?

The President. Well, we're not providing for antidemocratic systems abroad. But also, here again, the drumbeat of propaganda that takes place in the political arena has, again, contributed to misunderstanding on all of your parts. And I understand that—I mean, when you're out there, and you have to depend on the news that you get and that you hear people say.

There has never been any cutback in social security. From the very first, I said that those people dependent on it would receive it, but that we had to do something about the program to restore fiscal integrity because social security was going broke.

The first time I said it, at about the time of that first speech that you're talking about, opponents in the government challenged that I was not telling the truth. I had said that we would not be able to get by July of 1983 in social security if we did not do something to rectify that imbalance. And they said that was false. Well, they, in passing—and they have just passed the commission's report that I asked for to see how we could make social security sound—that has now been passed and I will be signing it today or tomorrow. In that thing of making that, they then had to admit, yes. And we had to borrow money beginning in July of this year—or already, before July, to pay some of the checks.

Now, the first time I ever referred to the fiscal problem of social security was long before I ever thought I'd even be a Governor. Never had any idea of anything of the kind. I was making pictures in Hollywood. But when you don't sing or dance in Hollywood, you usually wind up as an after-dinner speaker. [Laughter] And at one of those after-dinner speeches in 1964, I called attention to the fact that social security then, that many years ago, was out of balance actuarially by \$300 billion. And no one did anything about it down through all these years.

Now, we believe that the measure that has just passed by a bipartisan agreement between both parties in the Congress, that we have resolved that problem. But, in the meantime, it became such a political football that I saw all the charges that I had cut

benefits. There was no way I could cut benefits. They would have had to—that would have to take legislation passed by Congress. Nor did I ever ask for such a thing. There has been no cut at any time in the benefits. But I know that the charge has been made. And many senior citizens dependent on social security were frightened into believing that this was going to happen to them. And I think it was cruel and unusual punishment to deceive these people for political purposes.

Q. Are you going to organize a new system—

The President. What?

Q. Are you going to organize a new system like to take the place of social security, or do you have any alternative ideas?

The President. I'm not sure that—I can't organize something new. But I'm not sure that we shouldn't take a long-term look at the structure of social security with the proviso that those dependent on the program will continue to get their checks; that there will be no reform, but to go back and look at what's going to happen to you when you get out on the job market.

The payroll tax for social security has become so huge that for most of the workers in this country, it's a bigger tax than the income tax. And I'm not sure that the benefits that you will receive when you come to

the point of retiring from the work force will justify the amount of that tax. And I think that while we protect the people presently dependent on the program—and those who may be in the next several years and who've based their plans on that—I don't think there would be anything wrong if we had some solid studies made as to whether we could improve that program for all of you so that it would be more fair for you and for the younger workers in the work force today in the future.

That'll probably be the headline in the morning.

Q. My name is Marylyn Prospere. I'm a student at Demetrian High School, Boston, Massachusetts. Mr. President, on behalf of the Close-Up Foundation and the Close-Up students here, we thank you for sharing this time with us.

The President. Thank you.

Note: The question-and-answer session began at 1:06 p.m. in Room 450 of the Old Executive Office Building. The session was taped for later broadcast on the Cable Satellite Public Affairs Network.

The participants were part of the Close-Up Foundation program, a nonpartisan educational foundation providing secondary school students opportunities to study the American political system.

White House Announcement on the Development of a Defensive System Against Nuclear Ballistic Missiles

March 25, 1983

Today the President issued a National Security Decision Directive addressing his intent to direct the development of an intensive effort to define a long-term research and development program aimed at an ultimate goal of eliminating the threat posed by nuclear ballistic missiles as announced in his speech of March 23, 1983.

The document directs the following:

It is my policy to take every opportunity to reduce world tensions and enhance stability. Our efforts to achieve significant reductions in strategic offensive forces and to

eliminate LRINF land-based missiles are one approach to that aim. However, it is my long-range goal to go beyond this. I would like to decrease our reliance on the threat of retaliation by offensive nuclear weapons and to increase the contribution of defensive systems to our security and that of our allies. To begin to move us toward that goal, I have concluded that we should explore the possibility of using defensive capabilities to counter the threat posed by nuclear ballistic missiles.

I direct the development of an intensive

effort to define a long-term research and development program aimed at an ultimate goal of eliminating the threat posed by nuclear ballistic missiles. These actions will be carried out in a manner consistent with our obligations under the ABM Treaty and recognizing the need for close consultations with our allies.

In order to provide the necessary basis for this effort, I further direct a study be completed on a priority basis to assess the roles that ballistic missile defense could play in future security strategy of the United

States and our allies. Among other items, the study will provide guidance necessary to develop research and development funding commitments for the FY 85 Departmental budgets and the accompanying Five-Year Defense Program (FYDP).

The Assistant to the President for National Security Affairs is assigned the responsibility to formulate detailed instructions for implementing this NSDD including organization, assignment of responsibilities, and completion dates.

Statement by Deputy Press Secretary Speakes on the Release of the Technology, Growth, and Employment Report *March 25, 1983*

The President today is announcing the release of a report, "Technology, Growth, and Employment." This report is the result of a working group which was established last June at the Versailles Economic Summit in France by the President and the heads of state and government from the other summit countries and the European Community.

The President regards the report as an example of the serious and substantive work that can result from the summit process. He welcomes its emphasis on technology as a key to industrial competitiveness and economic growth, which will be the subject of important discussions at the Williamsburg summit on May 28-30.

The report considers the opportunities, problems, and challenges presented by technology and analyzes the relationship between technology, economic growth, and employment. It offers a number of recommendations on shared problems, such as

achieving sustained, noninflationary growth, lowering trade barriers among summit nations in high technology products, and restricting transfer of militarily significant technology to Soviet bloc countries.

In addition, the report identifies 18 new projects for international cooperation. The U.S. has proposed five of them and will serve as the lead country for their implementation. These are high energy physics, remote sensing from space, solar system exploration, fast breeder reactors, and controlled thermonuclear fusion.

The work was carried out under the auspices of the Personal Representatives of the heads of state and government that meet at the annual economic summit. Dr. George A. Keyworth, Science Adviser to the President and Director of the Office of Science and Technology Policy, served as the U.S. Representative for this activity and John M. Marcum, his Assistant Director for Energy and Natural Resources, served as the Alternate U.S. Representative.

Proclamation 5037—National Mental Health Counselors Week March 25, 1983

*By the President of the United States
of America*

A Proclamation

Mental health counselors provide 50 percent of the mental health services delivered in this country. They work with adults and children whose self-doubts or distorted perceptions of the world interfere with their capacities to fulfill their obligations or to enjoy the pleasures that life can offer. They work with the chronically mentally ill, the depressed, the suicidal, the anxious, the phobic, the juvenile delinquent, the abused, and the deprived.

Through utilization of individual and group counseling techniques, mental health counselors help individuals to develop self-understanding, make life decisions, and adjust to the everyday demands of a complex world.

Mental health counselors apply skills gained through years of education and training in a multitude of settings—hospitals, community agencies, clinics, and in the private practice sector. They play an important role in our Nation's health care system.

In recognition of their service in behalf of others to save lives and reduce suffering,

the Congress, by Senate Joint Resolution 35, has designated the week beginning March 20, 1983, as National Mental Health Counselors Week, and has requested the President to issue a proclamation in observance of that week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning March 20, 1983, as National Mental Health Counselors Week. I call upon health care professionals, educators, the media, individuals, and public and private organizations concerned with mental health to join me in observing this week.

In Witness Whereof, I have hereunto set my hand this twenty-fifth day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:33 a.m., April 4, 1983]

Note: The text of the proclamation was not issued in the form of a White House press release.

Radio Address to the Nation on a House Budget Proposal March 26, 1983

My fellow Americans:

As I'm sure you heard, the majority in the House of Representatives passed its budget resolution this week. Since the vote on that budget was announced by those who supported it, they've proclaimed it a great victory over me. You, the people, are treated as mere spectators in the contest. But you weren't. You were down on the field very much in that game. And if those proposals ever become law, you'll find you're on the losing team.

Let me remind you what lies at the heart

of that liberal budget—a \$315 billion tax increase over the next 5 years, falling squarely on the backs of you who work and earn to support your families and pay the government's bills. It's not just a coincidence that that \$315 billion they want to raise would require canceling the third year of your tax cut, due in July, and tax indexing. Three-quarters of that tax increase would have to be paid by low- and middle-income families and many of you who are already living from paycheck to paycheck.

Indexing is an historic reform that'll put

an end to bracket creep. The unfair thing about our present income tax system is that it's based on the number of dollars you earn, not their value. As you earn a greater number of dollars, you're pushed into a higher tax bracket, and the government takes a higher percentage of your paycheck, even though you might only be receiving a cost-of-living raise to stay even with inflation.

Indexing puts an end to the injustice of bracket creep. Indexing is not a tax cut per se; it prevents an automatic tax increase and keeps you from getting poorer.

How can those who talk so much about fairness and compassion turn around and take away the third year of your tax cut and the indexing? How can they justify hitting the median-income family with a \$3,550 tax increase over the next 5 years? How can they pretend to help you cope with your bills, put money aside for education, and save for your retirement when they're reaching deeper and deeper into your pockets?

They can't. And they won't, if we don't let them. It's not right for them to overtax you just so they can spend more. And they do want to spend more—a lot more. Their budget would cancel virtually all the savings we've made in the last 2 years. It would turn back the clock to the high inflation, high interest rate nightmare of 1980 by giving a green light to at least 10 brand new government spending programs. At the same time, it would allow a program of crucial importance to our senior citizens—Medicare—to go bankrupt. It would wipe out our initiatives to reduce food stamp waste, despite documented evidence that food stamp rip-off artists plunder the system and cost taxpayers hundreds of millions of dollars a year.

In all, the liberal alternative budget would approve nearly \$200 billion in additional inflationary spending. Make no mistake, this money cannot be retrieved and the deficit reduced, as they claim, by slashing defense spending authority by more than \$200 billion. Once you begin reducing personnel in our armed services, closing down aircraft plants, decommissioning ships, fighter squadrons, and one weapons program after another, you not only gamble

with America's security, you create a new army of unemployed. And that means the deficit would go up, not down.

It's this simple: If you liked the 21-percent prime interest rate, 18-percent mortgage rates, double-digit inflation, and sky-is-the-limit tax increases of 2 years ago, you'll love their budget, because that's what it would bring back. Those who fought to get this budget passed are the same people who began saying our economic program had failed almost the day it was passed. That was more than a year ago, and much of our tax reduction program is still not in place today. But more and more evidence is coming in that proves America is on the mend and recovery has definitely begun.

Last Monday the Commerce Department estimated that during these first 3 months of 1983, our economy will grow at an annual rate of 4 percent. And we believe the recovery will pick up strength as the year goes on. The double-digit inflation of 1980, which drove up costs and robbed you of your earnings, has been knocked all the way down to four-tenths of 1 percent in the last 6 months—the lowest 6-month rate in 22 years. This February consumer prices actually declined for only the second time since 1965. The first time was in December.

Those towering interest rates which closed factory gates and industries like autos and steel, leveled the housing industry, and brought so many small businesses to their knees have now been knocked down themselves. The prime rate was 21½ percent in 1980; today it's down to 10½. I believe interest rates can, should, and will go lower.

As inflation and interest rates come down and our tax cuts come on stream, families have more to spend or save, as you wish. And that is why savings and productivity are growing again. Recently I received a letter from the president of a family-owned lumber company in Minneapolis, one which—like so many other small firms—has been hard-hit by the recession. But now this man's mood has turned optimistic. He told me that his sales for the months of December and January were the best for 3 months in his company's 50-year history. And he wrote, "Mr. President, don't get stampeded into some ill-conceived pump-priming

scheme that will lead to another round of inflation boom and bust. You were elected to break that cycle. What you've done is working." Well, my answer to that fine gentleman is, "I won't be stampeded. I intend to do everything I can to protect this recovery all of us have worked so hard to achieve."

But this isn't just my struggle; it's yours, too. You're not spectators, and I need your help. Together we still have time to beat back the unfair tax increases, hold the line on spending, and keep America strong. If

you can't make the big spenders see the light, you can make them feel the heat. Please tell your Representatives not to turn back the clock and squander America's future. Tell them to work with us to keep America on the upswing. If you do, we can usher in a bright new age of prosperity that outshines any other in our history.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Proclamation 5036—Asian/Pacific American Heritage Week, 1983 March 25, 1983

*By the President of the United States
of America*

A Proclamation

The strength of America lies in our free enterprise system, and the spirit of our great Nation grows out of the richness of our diverse cultural heritage and the hard work and convictions of our citizens.

Americans who have come to this land from Asian and Pacific countries have overcome great adversity and supreme challenges to make outstanding contributions to our Nation's progress in a wide range of fields—science, the arts, medicine, law, literature, agriculture, industry, commerce, and government.

As we celebrate the accomplishments of Asian and Pacific Americans, we are grateful to them for bringing to our shores the strong and varied traditions of their homelands and for greatly enriching our culture and our institutions. We appreciate and value their presence and treasure their en-

during commitment to the unalienable right to life, liberty, and the pursuit of happiness.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby declare the week beginning May 7, 1983 as Asian/Pacific American Heritage Week and call upon the American people to observe this week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 25th day of March, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:17 p.m., March 28, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on March 28.

Nomination of James Brian Hyland To Be Inspector General of the Department of Labor

March 28, 1983

The President today announced his intention to nominate James Brian Hyland to be Inspector General at the Department of Labor. He would succeed Thomas F. McBride.

Since 1980 Mr. Hyland has been serving as Deputy Inspector General for the National Aeronautics and Space Administration (NASA). Previously he was Assistant Inspector General, NASA, in 1979–1980; Inspector, Federal Bureau of Investigation, in 1979; Director, Surveys and Investigations

Staff, Committee on Appropriations, U.S. House of Representatives, in 1978–1979; and Assistant Director, Surveys and Investigations Staff, Committee on Appropriations, U.S. House of Representatives, in 1975–1978.

Mr. Hyland graduated from Fordham University (B.S., 1960) and George Washington University (M.B.A., 1972). He is married, has four children, and resides in Fredericksburg, Va. He was born May 31, 1938, in White Plains, N.Y.

Executive Order 12410—Exclusions From the Federal Labor-Management Relations Program

March 28, 1983

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 7103(b) of Title 5 of the United States Code, and in order to exempt an additional agency subdivision from coverage of the Federal Labor-Management Relations Program, it is hereby ordered as follows: Executive Order No. 12171, as amended, is further amended by adding to Section 1–

212 thereof the following new subsection:

“(v) The Joint Special Operations Command (JSOC).”.

RONALD REAGAN

The White House,
March 28, 1983.

[Filed with the Office of the Federal Register, 4:18 p.m., March 28, 1983]

Question-and-Answer Session With Reporters on Domestic and Foreign Policy Issues

March 29, 1983

Arms Control

Q. Mr. President, we have been led to believe you're not going to say very much to us at this point about what you may be announcing tomorrow morning in the way of INF [intermediate-range nuclear forces] proposals. But I'd like to try one quick question. Whatever it is you tell us tomorrow, are you prepared to proceed with deploy-

ment of Pershing and cruise missiles, beginning at the end of this year?

The President. We've never retreated from our position that we are going to deploy on schedule. And it is true that I will be speaking to the NATO Ambassadors tomorrow and at that time making a statement about this whole matter.

Could I just volunteer that a lot of the

speculation that I've been reading, however, is—yes, we've been in consultation—as we promised from the very first in this administration that we would be on everything with our NATO allies—but there has been no change in my position or ultimate goal.

Q. So you are going to go forward with deployment?

The President. Deployment. I've said we've never retreated from that, yes.

Q. Okay. All right. Regardless of what you tell us tomorrow, it seems like judging from your past statements and the statements of some of your advisers, any sort of a deal would involve the dismantling of some SS-20's on the part of the Soviet Union. Is there any reason to believe the Soviets are at all interested in that sort of a deal? Could Mr. Andropov get his generals to buy off on that sort of an arrangement?

The President. Well, there is one thing you have to remember: that, as they themselves made public, that while they made a proposal that we could not find acceptable, it was based on their making a sizable reduction in the number of their missiles.

U.S.-Soviet Relations

Q. Mr. President, while we're on the subject of arms control—we seem to be entering a period of a new cold war with the Soviet Union, with the rhetoric escalating on both our side and their side. In that sort of atmosphere, is it realistic to think we can reach any sort of arms control agreement?

The President. Yes. I've seen these remarks, also, as to the return to a cold war. We remain in communication with them. And the very fact that we're sitting in three separate negotiating tables with them on three different subjects of disarmament—I don't think there's anything particularly new in the rhetoric that was used by Andropov and has been used by other Russian leaders before him. In the United States, we have to be used to being called “imperialists” and several other things and charges made that we're trying to seek some advantage or something. I don't think there's really been any escalation of that at all.

Q. Of course, sir, some critics would say there has been escalation on your part in recent speeches, in calling the Soviet Union

an “evil empire,” and in some of the language that you've used. Do you think that's done any harm in the effort to reach an agreement with the Soviet Union?

The President. No. I think the thing that I said in speaking to that audience was that in pointing out, on the basis of the comparison of our two social structures, the traditions, and what our ideologies were, that in contrast to what we viewed as proper—religious freedom and even belief in religion and in a God—as contrasted to their own anti-religious position, their own refusal to believe in individual rights and so forth. I didn't think that there were many polemics in that particular message.

Arms Control

Q. Mr. President, back to the interim proposal that you're going to make tomorrow. Without asking you to reveal the details further, I'd like to ask a little bit about how we got there, because as recently as your last press conference in the East Room, which was the 16th of February, you rather firmly rejected any idea of an interim proposal. Both Larry Barrett [Time Inc. correspondent] and I asked you questions, and you indicated that you did not at all intend to make any new proposal; that if there was an interim proposal, it would have to come from the other side. What's changed to lead you to change that?

The President. Well, I think when you refer back in that other question, the way it came at the time had to do with asking things that would have required me to state in advance negotiating positions. And I've had a lot of years experience in negotiating. Before I was ever in public life, I negotiated for about a quarter of a century the basing contracts of our union, the Screen Actors Guild, with management. And you can't talk about negotiating positions, because if you do, then they're no longer positions; you've compromised your own strategy. And this is what caused me, and has caused me in the past, to make answers about—that you're really making the answer with the knowledge that the other fellow is going to read it or hear it.

Q. Well, are you saying you were headed in that direction but just didn't want to—

The President. Well, I want to point out that—and by real intention, back when I made at the Press Club, public, the first statement about the zero-zero option, I very specifically said that we would negotiate in good faith on any legitimate proposal. Now, we had stated our goal and what it was that we would like to have. But I made that other statement deliberately so that it would not be taken by—everyone has, well, a complete take-it or leave-it proposition. In that instance, then, there is no negotiation. They either give in or you go home.

So to that extent, I don't think that—well, let me just put it this way: We've made no change in our ultimate goal. But beyond that, I can't speak before tomorrow.

Q. On that same subject, Mr. President, do you subscribe to the view held by some European leaders and by some in your own administration that the Russians won't bargain in earnest until we deploy the Pershing and cruise missiles in Europe?

The President. Well, I believe one of our problems in the past and why, during the period—a decade or so in the seventies—when we were unilaterally disarming and they were at fever pitch in the rebuilding or the building of probably the greatest buildup of military strength in world history, that one of the reasons why there was no prospect—if you will remember, President Carter sent his Secretary of State to make an arms reduction proposal in Moscow, and he was home in 48 hours. And I have always felt that there's no reason for the other side to negotiate if they're out ahead and we are apparently disarming ourselves without asking any compensatory reduction on their part. And I believe that the reason we have three negotiating teams now at three different tables negotiating with them has been our determination over these little more than 2 years to refurbish our own military.

And I've said before—I think it was summed up in a cartoon about the late Leonid Brezhnev when he was cartooned in one of your publications. The cartoonist had him speaking to a Russian general, and he said, "I liked the arms race better when we were the only ones in it." I think that you have to—if you're going to negotiate—you have to have some strength on your

side. You have to have some reason for them to look at and weigh the value of reducing their own weaponry.

Q. Mr. President, on that general subject of defense, won't your plan to develop anti-missile weapons in outer space set off a new round in the arms race? Won't it just be a destabilizing force?

The President. I think to the contrary. And I tried to make it as plain as I could in that address. I've been amazed at some of the fevered rhetoric in editorials that I have been reading. And I think some of them are quite irresponsible.

But no, I made it plain that we are going to continue, and I am determined to continue doing everything I can to persuade them that legitimate arms reduction is the only path to follow. To look down to an endless future with both of us sitting here with these horrible missiles aimed at each other and the only thing preventing a holocaust is just so long as no one pulls the trigger—this is unthinkable.

In my opinion, if a defensive weapon could be found and developed that would reduce the utility of these or maybe even make them obsolete, then whenever that time came, a President of the United States would be able to say, "Now, we have both the deterrent, the missiles—as we've had in the past—but now this other thing that has altered this." And he could follow any one of a number of courses. He could offer to give that same defensive weapon to them to prove to them that there was no longer any need for keeping these missiles. Or with that defense, he could then say to them, "I am willing to do away with all my missiles. You do away with all of yours."

Q. But what would you expect the Soviets to do in this period while we are developing this weapon? They're not just going to sit idly by and let the United States make itself invulnerable to their missiles.

The President. On the other hand, I think that there's every indication that they've been embarked on this same kind of research themselves.

Q. Mr. President, you said that some of the editorials that you had read criticizing your new defensive initiative had been irresponsible. What did you mean by that?

How, “irresponsible”?

The President. I’ve just been reading a collection of them over there. There have been charges that this was a smoke screen on my part to avoid a discussion of the arms buildup. Some of them have charged that in my speech the other night on television, that I did not give any facts, that I obscured the truth. Well, I think those charts were pretty factual and based on actual count and actual figures.

Other statements—that I was proposing something that never was and never could be a defensive weapon. And I had to remember that Vannevar Bush, one of our truly great scientists was asked by President Eisenhower with regard to the feasibility of creating a missile in which the delivery of an atomic weapon could be by missile. And this great scientist, after his own study, said to the President that the image of a missile that could be launched from a silo, pre-targeted on a target on another continent, just was an impossibility and could never happen.

Well today, the thing we’re talking about are thousands of those on both sides of the ocean, targeted on each other. And so for someone to say that what I was talking about was a fairytale—they even used that term—that it could never take place, I think is irresponsible.

Q. Mr. President, can I ask you just one question about that program that you announced last week? The cost of it—everybody seems to be sort of moving around it. Nobody’s really getting into what it’s going to cost. If we spend a billion dollars, we don’t know what it’s going to cost in the out-years.

One, do you know what it’s going to cost in the next few years or what kind of money has been put aside for it? And two, because of the trouble you’ve been having on the Hill with the defense budget as it is being too high, why should the Congress go along with approving a program like this that’s going to cost a lot more money, presumably? Do you have a cost figure on it?

The President. No, because first of all, this is not a crash program. There, I think you would have to have—well, a crash program was the development of the atom bomb in wartime. I have said I don’t know how long

this would take. I don’t know in what direction that research would go. To all of those who also editorialized that this was truly “outer space” and so forth, I don’t know. I’m not a scientist.

Q. But to start it, sir, you’re going to have to put some money with it. What kind of money are you going to put with it?

The President. Yes. Well, we already have about a billion dollars that is in the budget for research in the defense budget now, and some of that would be diverted to this research. Now, you would have to see what direction this took and what was needed to further that research. But I don’t think that it would be the tremendous immediate cost that a crash program would be.

Q. You mentioned just a minute ago, Mr. President, that some future President might have the option of providing this defensive weapon to the Soviets if he so chose. What about some sort of an interim arrangement now? Do you think there’s any merit to the idea of some sort of a joint venture where the United States might be willing to share the research data on this system with the Soviets to reduce any chance of escalating tensions in this area?

The President. I have to tell you, I haven’t given that any thought. That’s something to think about and look at. And incidentally, Gary, as for our defense budget being too high, I think your paper editorialized that it isn’t.

Q. Well, that may be, sir, but the Congress has to vote on it. And I’m still curious on what you think the congressional reaction will be to a program like this that some have said, including the Speaker and others, that it’s “pie in the sky.” Why should we vote for funding for a program like this? They’re going to be called on to do it, and you can propose it, but they may dispose of it as fast as you do that.

The President. Well, I would assume that it would take the same place in the budget. It would be part of the—in every defense budget there is a sum, as I’ve said before, there’s already in this one about a billion dollars in various research, and it’s just a case, then, of the direction of the research and where you direct it to go.

Q. Would you like to see it doubled or

tripled or, I mean, do you think—

The President. I don't see any need for that, no.

Central America

Q. Mr. President, could we move on to another area—Central America? You've consistently refused to discuss reports of covert U.S. aid to antigovernment forces in Nicaragua. In recent days, a number of our allies have indicated at the U.N. that they believe the United States is working to overthrow the Nicaraguan Government. My question is, why don't you either acknowledge or deny these reports of U.S. activity? Aren't you in danger of losing credibility in the same way that the U.S. Government did with its secret war in Cambodia?

The President. Well, I think this is something—intelligence matters and covert or overt activity, whatever, are things that are never discussed, and I'm not going to discuss them now. But we have tried to get along with the Government of Nicaragua and tried from the first. As a matter of fact, they had in these efforts some time ago, when the new revolutionary government was installed, they made pledges to us that they would not involve themselves in El Salvador. And we found them in direct violation of that which they could not deny—that they were arming the guerrillas in El Salvador.

Now, what we're seeing in Nicaragua is the fact that it was a revolution by a coalition of groups that were all opposed to the dictatorial Somoza rule. And as happens so often in that kind of a coalition, when the revolution was over, one faction—and it turned out to be the extreme leftist faction—simply took control and ousted the other revolutionary partners and created a Marxist-Leninist government, openly acknowledging their ties to Cuba and the Soviet Union, openly arming and providing weapons and supplies and training to the guerrillas in El Salvador. And what we're seeing now are the other revolutionary factions—totally ousted from any participation in the government—now fighting back on that.

Q. Sir, but my question was don't you think that the recent events at the U.N. in which our allies have indicated that they

don't believe that we are not involved and this continued proliferation of reports from the area that say that there is some involvement, isn't this damaging the credibility of the U.S. Government?

The President. I don't think so, because some of the few allies who have been critical of this—others of them understand very well what's going on in El Salvador and all—but some of the others have even been critical of what we're doing in El Salvador. We have made every effort to point out to them that they've been subjected to quite a wave of worldwide propaganda based on the Salvadoran conflict. And I think we have convinced a number of them that what we're doing is valid.

Treaties With the Soviet Union

Q. Mr. President, if I could jump back to our original subject of our relations to the Soviets for the minute—something that you said a couple of times, that we have three different sets of negotiations going with them. I've been told that in one of these sets of negotiations the United States has proposed modifications of the Nuclear Test Ban Treaty and the Peaceful Nuclear Exchange Treaty to make verification, in particular, and other procedures of carrying those treaties out more effective, and that their response was very disappointing to us. Can you confirm that, and what do you—

The President. Yes, and this was not one of the three I was thinking of. I was thinking of START, the INF, and then our negotiation on conventional weapons. But yes, we had proposed some improvements to the testing treaty and so forth, and they rejected our proposals.

Q. What's your reaction to that?

The President. Well, I think that the treaty we're talking about is the Test Ban Treaty.

Q. Yes.

The President. It isn't all that important, because the treaty as it is now—and this is what we want to strengthen—is so restricted as to verification that we have reason to believe that there have been numerous violations. And yet, because of the lack of verification capacity, we could not make such a charge and sustain it. We just were wanting

to improve it so that maybe both sides could be sure.

Q. Are you considering letting that treaty lapse since it's not—

The President. No.

Q. Since that treaty has not done what it's supposed to be doing because of verification problems, are you considering letting the treaty lapse?

The President. No. As a matter of fact, I think that we've extended it.

Defense Spending

Q. Mr. President, on defense spending, you recently were quoted by your aides and by Senator Domenici, saying while you couldn't promise anything, you might be willing to show some flexibility on defense after the Easter break. The House has cut real growth from 10 percent, in your proposal, to 4 percent. Domenici's people are talking about 7½ percent. They're talking about making a compromise with the House at 5 or 6 percent. Could you settle for that? Would that be flexible enough? Could you be flexible enough?

The President. I think it would be violating what the government is intended to do. The one prime responsibility of government is to protect the lives and freedom of its citizens. The budget we submitted, and the budget figure, we believed was the absolute minimum that was necessary to continue redressing our defensive capability which had been allowed to deteriorate so badly in the previous decade.

When I spoke to the Senators with regard to some flexibility, this was because we were still reviewing every possibility and some things that, without actually reducing our capability, that there might be some reason to believe that we could come up with a changed figure, not to the extent they're suggesting changing it. And I don't have the answer, and I can't comment yet.

We will by the time they come back, I think, know whether there is any flexibility or not. I was very careful not to make a promise, and whatever—if we have been able to find this flexibility, we certainly will give them the figure on it.

Q. Just to follow up on that, couldn't—this might be decided for you, in a sense, in that if the mood of the Congress is that we

have to cut below the 10 percent, you're not going to have any choice, are you, sir?

The President. Well, I'm going to fight as hard as I can for what we've proposed in the line of a defense buildup. We could not go back down to those figures without reducing our readiness, reducing even the size of our military, the number of men, and without eliminating and cutting back on weapons systems that I believe are necessary.

Withholding Tax on Interest and Dividends

Q. Can we switch back to domestic policy, Mr. President? I want to ask you about your support for withholding of interest and dividends. Stories are running around, or circulating, I should say, that the Republican leaders came down here last week and almost pleaded with you to bail out on that one. There are some stories to the effect that they told you that if you persist, and if you persist in vetoing it, that you'll lose an override vote. Is that what they said, and what's your reaction to that?

The President. Well, they were telling me the reaction that they were getting from many people, the mail count and so forth. We have to recognize that there was a very successful lobbying effort going on, still going on, for that matter. The truth of the matter is—and I told them—that probably the majority of the people that they were hearing from as opposed to this were people who were actually so misled that they believed that either this was a new tax being imposed or that they were all going to be victimized in great losses in their interest and so forth. Well, it isn't a new tax. Interest and dividends are taxed now. We're only asking for withholding of this tax in order to close a gap through which people who legitimately owe a tax are able to avoid payment of that income tax.

Q. But, Mr. President, if it looked like you were going to lose on that fight—you would veto it and it would be overridden—would you agree to some other way to close that gap—for instance, to hiring more IRS agents?

The President. Well, the thing is, before we ever came up with the proposal was when we explored all those ways, and the

cost was so tremendous. It gets down in this age of computers to a really hand-to-hand, personal comparison of reports and so forth. We're talking anywhere from \$5 billion to \$7½ billion a year that is being lost.

But the other thing that the people don't realize yet—and we're going to try to inform them as much as we can—they don't realize that the bulk of these people who are protesting are not going to be affected. We're not withholding on the bulk of dividend and interest holdings because we have set a limit below which we don't go.

And where the senior citizens are concerned—and they are very much concerned because so many of them now are counting on savings and so forth—where they're concerned, they're not going to be affected at all. They're exempt. So, there's only a limited number of people.

Now, the other thing is this fear of some loss of return on their interest. Someone with \$10,000 of savings and a 9-percent interest rate—the withholding of their interest a little in advance, as this would do, thus maybe reducing the compound interest return, would amount to about \$4.25 a year on a savings account of \$10,000 at 9-percent interest.

Q. Mr. President, did you give any thought to going on television to make your case on this as you did on another subject the other night?

The President. Well, I don't know. We've talked about all the things we can do. We're trying to refute this. I've been encouraged by some surveying that's been done that revealed that the people out there are more evenly split than they seem to realize. The only trouble is they're only hearing from one side. We're trying to get them to hear from the other side.

Secretary of the Interior Watt

Q. We're down to some short time here, sir. I wonder if you could tell me, one, do you consider Jim Watt a political liability as Fahrenkopf said yesterday? We had lunch, and he said that, you know, on a scale of 1 to 10, Watt was a political liability right now. Do you see Jim Watt as that?

The President. No, I don't. And what I see as very necessary is that—a perception that has been created, that is absolutely false. I

will match this administration's record with regard to environmental matters against that of any other administration. And we have been far more successful. We're spending more money on parks and on acquisition of parks and so forth than the previous administration had spent in all its 4 years, in these 2 so far.

And I think what Jim Watt is the victim of is not the rank and file out there of environmentalists—I think I'm one—but the victim of those professionals in some of the various organizations who make me wonder sometimes whether they really want the problem solved or whether they haven't recognized that as long as they can keep the people impressed that there is a problem, their careers will go on.

Decontrol of Natural Gas

Q. I have one other quick one, Mr. President. On the decontrol of natural gas, you want that?

The President. Yes.

Q. But utilities are really legal monopolies. There is no competition, so to speak. I mean, prices don't come down like they do for sugar or coffee or anything else. Would you be opposed to the legislation that is now going around on the Hill to postpone from 1985 to 1987 the decontrol of half the natural gas supply and also roll back the prices?

The President. No, we've made a proposal, and it's based on the fact that control resulted in increases. They weren't even depending on where the gas came from and so forth throughout the country. But there are something like some 28 different price levels in natural gas now, and the most recent increase for much of the country was 20 percent. And this is with controls.

Q. That's right.

The President. Now, we believe—and we believed it with the decontrol of oil—we've proved it—that everyone told us that gasoline prices were going to go to \$2 a gallon. Well, they're lower than they were before we decontrolled. They went down because there was an immediate upsurge of exploration and development of oil. We think the same thing is going to happen because

today there are great supplies of natural gas that, under controls, are sealed, are capped there in the ground, and they're not utilizing them because of the price controls and their low-priced gas. And we also have in our legislation a provision against passing on any increases—[*Responding to the noise of a looseleaf binder closing*] Somebody's went click.

Q. They're trying to tell us something.

The President. Well, this one will get it.

—that we have a provision in that that they cannot pass on a tax increase. But you'll also find, out there at the State level, most States recognizing utilities are basically a monopoly. You have public utilities commissions with authority at the State level to regulate prices.

Q. If I could just ask one quick question—

Deputy Press Secretary Speakes. This will probably be the last.

Succession of One-Term Presidents

Q. Without talking about your own reelection plans, do you think that it—does it cause you any concern that this country has had a succession of Presidents who have not been reelected to a second term, the succession of one-term Presidents? Is that the cause of any concern, do you think?

The President. I have read many people who say it is. And I have to say, yes, I think it is, because I think it creates an instability. And it should be, the whole subject should be looked at. Having been 8 years as a Governor—and this isn't in any way to tip off what I may or may not do, because it's going to have to depend on each individual and whether that individual thinks he can continue to be effective in the job. But you really can't in 4 years carry through programs that may be necessary.

American MIA's

Q. Mr. President, one super quick ques-

tion here. Since you've just talked a little bit about POW's and MIA's, you've signed a proclamation for next week, do you personally believe any American servicemen from Vietnam are still alive in Southeast Asia?

The President. I don't think we can afford to believe there aren't. And I know that this is the attitude that the Defense Department is taking, also. We do know that there are some more than 2,000, close to 2,500, around there, names of individuals missing in action, that there's no record. And a number of those—there have been returned prisoners who say that they had seen them, they saw them alive, they knew they were there. And I think we just have to keep on following every lead.

I think also, there may be some people who might have voluntarily chosen to stay. And all of this, we just have to keep after it with every resource that we can devote to it.

Q. Well, we're not going to keep after it on this subject. We appreciated very much, Mr. President, the chance to chat with you. Hope some of our colleagues will have a chance to do it again one of these days.

The President. Oh, I hope so, too, and I'll look forward to it myself. I know there's a lot of subjects we didn't get to, but I know also that we're over time, aren't we?

Q. Right.

The President. All right.

Q. Thanks again, Mr. President.

Note: The exchange began at 1:44 p.m. in the Oval Office at the White House. Participating in the exchange were Thomas DeFrank of Newsweek, Susan Page of Newsday, Gary Schuster of the Detroit News, Ben Taylor of the Boston Globe, Paul West of the Dallas Times Herald, and Loye Miller, Jr., of Newhouse News.

Appointment of Two Members of the National Advisory Council on Indian Education

March 29, 1983

The President today announced his intention to appoint the following individuals to be members of the National Advisory Council on Indian Education for terms expiring September 29, 1985:

Louis R. Bruce will succeed Francis McKinley. He is owner and president of Native American Consultants, Inc., in Washington, D.C. He served as Commissioner of Indian Affairs for the Bureau of Indian Affairs in 1969–1973. He has also served on the American Indian Policy Review Commission. He graduated from Syra-

cuse University (B.A., 1930). He is married, has three children, and resides in Arlington, Va. He was born December 30, 1905, on Onondaga Reservation, N.Y.

Christine C. Harte will succeed Helen Marie Redbird. Miss Harte is a student at Yale University. She is a candidate for a bachelor of arts degree in 1984. At Yale she serves on the Minority Advisory Committee and the Minority Admissions Council. She is also a member of the American Indian Center in Chicago, Ill. She was born December 19, 1960, in Chicago, Ill.

Executive Order 12411—Government Work Space Management Reforms

March 29, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, including Section 486 of Title 40 of the United States Code, in order to institute fundamental changes in the manner in which Federal work space is managed to ensure its efficient utilization, it is hereby ordered as follows:

Section 1. In order to make the Federal use of work space (including office space, warehouses and special purpose space, whether federally owned, leased or controlled) and related furnishings more effective in support of agency missions, minimize the acquisition of government resources, and reduce the administrative costs of the Federal government, the heads of all Federal Executive agencies shall:

(a) Establish programs to reduce the amount of work space, used or held, to that amount which is essential for known agency missions;

(b) Produce and maintain a total inventory of work space and related furnishings and declare excess to the Administrator of General Services all such holdings that are not necessary to satisfy existing or known and verified planned programs;

(c) Ensure that the amount of office space used by each employee of the agency, or others using agency-controlled space, is held to the minimum necessary to accomplish the task that must be performed;

(d) Manage the furniture, equipment, decoration, drapes, carpeting, plants and other accoutrements so that the use of all furnishings by the agency reflects a judicious employment of public moneys;

(e) Consider, in making decisions concerning the use, acquisition, or disposal of work space and related furnishings, the effects of its actions on costs incurred by other Federal agencies;

(f) Report all vacant work space retained for future Federal uses to the Administrator of General Services so that it may be made available for the temporary use of other Federal agencies, to the extent consistent with national defense requirements;

(g) Establish a work space management plan to meet the provisions of this Order, including specification of the goals to be achieved and actions to be taken by the agency in order to improve its utilization of all work space and related furnishings; and

(h) Establish information systems, imple-

ment inventory controls and conduct surveys, in accordance with procedures established by the Administrator of General Services, so that a government-wide reporting system may be developed.

Sec. 2. The Administrator of General Services is delegated authority, to the extent not prohibited by other laws, to conduct surveys, establish agency-wide objectives for work space use for each Executive agency, and establish procedures, guidelines

and regulations to be followed by the agencies in developing the work space planning, information and reporting systems required by this Order.

RONALD REAGAN

The White House,
March 29, 1983.

[Filed with the Office of the Federal Register, 10:51 a.m., March 30, 1983]

Executive Order 12412—Peace Corps Advisory Council March 29, 1983

By the authority vested in me as President by the Constitution and statutes of the United States, including the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the Peace Corps Advisory Council.

(b) The Council shall be composed of no more than 30 persons, who shall be appointed by the President. The President shall designate two members to serve as Co-Chairmen of the Council. Members shall serve at the pleasure of the President.

Sec. 2. Functions. (a) The Council shall advise the President and the Director of the Peace Corps on initiatives needed to promote the purposes of the Peace Corps Act.

(b) The Council shall submit simultaneously to the President and the Director of the Peace Corps an annual report on its recommendations and activities.

Sec. 3. Administration. (a) The heads of the Executive agencies shall, to the extent permitted by law, provide the Commission with such information as may be necessary for the effective performance of its functions.

(b) Members of the Council shall not receive compensation for their work on the

Council. While engaged in the work of the Council, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service (5 U.S.C. 5701–5707).

(c) The Director of the Peace Corps shall, to the extent permitted by law and subject to the availability of funds, provide the Council with such administrative services, funds, facilities, and other support services as may be necessary for the effective performance of its functions.

Sec. 4. General Provisions. (a) Notwithstanding the provisions of any other Executive Order, the functions of the President under the Federal Advisory Committee Act which are applicable to the Council, except that of reporting annually to the Congress, shall be performed by the Director of the Peace Corps, in accordance with guidelines and procedures established by the Administrator of General Services.

(b) The Council shall terminate on December 31, 1983, unless sooner extended.

RONALD REAGAN

The White House,
March 29, 1983.

[Filed with the Office of the Federal Register, 10:52 a.m., March 30, 1983]

Remarks Announcing a Proposed Interim Intermediate-Range Nuclear Force Reduction Agreement

March 30, 1983

Last week, when I addressed the American people on this administration's defense program, I expressed our determination to reduce our reliance on the terrible power of nuclear weapons to assure the peace. And today I want to say a few words about this critical aspect of our security policy—our efforts to drastically reduce the arsenals which burden the lives of our own citizens, of our friends and allies, and, yes, of our adversaries as well.

As you know, over the last year and a half, this administration has undertaken a comprehensive and far-reaching arms control program designed to achieve deep reductions in nuclear arms, to rid the world of chemical weapons, and to cut the size of conventional forces in Europe. I'll be saying more about these initiatives in a speech tomorrow, but this morning let me focus on one of these negotiations.

I have just met with the Ambassadors of the countries of the North Atlantic alliance. We invited them here because the citizens of their countries share with Americans a profound hope for success in the Geneva negotiations on intermediate-range nuclear missiles.

The forces being discussed in the INF negotiations directly affect the security of our allies. As I told you last week, the Soviet Union has deployed hundreds of powerful, new SS-20 missiles, armed with multiple warheads and capable of striking the cities and defense installations of our allies in Europe, and of our friends and allies in Asia as well. The Soviets have built up these forces even though there's been no comparable threat from NATO. They've deployed them without letup; there now are more than 350 SS-20 missiles, with more than a thousand nuclear warheads. NATO will begin deploying a specific deterrent to this threat late this year, unless, as we hope, an agreement to eliminate such weapons would make this deployment unnecessary.

The United States, with the full support of our allies, has been negotiating in

Geneva for more than a year to persuade the Soviet Union that it is a far better course for both of us to agree to eliminate totally this entire category of weapons. Such an agreement would be fair and far-reaching. It would enhance the security of the Soviet Union as well as the security of NATO. And it would fulfill the aspiration of people throughout Europe and Asia for an end to the threat posed by these missiles.

So far, the Soviet Union has resisted this proposal and has failed to come up with a serious alternative. They insist on preserving their present monopoly on these weapons. Under their latest proposal, the Soviets would retain almost 500 warheads on their SS-20 missiles in Europe alone and hundreds more in the Far East, while we would continue to have zero. Their proposal would actually leave them with more SS-20 missiles than they had when the talks began in 1981. In addition, the Soviets have launched a propaganda campaign aimed apparently at dividing America from our allies and our allies from each other.

From the opening of these negotiations nearly 18 months ago, I have repeatedly urged the Soviets to respond to our zero-zero proposal with a proposal of their own. I've also repeated our willingness to consider any serious alternative proposal. Their failure to make such a proposal is a source of deep disappointment to all of us who've wished that these weapons might be eliminated, or at least significantly reduced. But I do not intend to let this shadow that has been cast over the Geneva negotiations further darken our search for peace.

When it comes to intermediate nuclear missiles in Europe, it would be better to have none than to have some. But if there must be some, it is better to have few than to have many. If the Soviets will not now agree to the total elimination of these weapons, I hope that they will at least join us in an interim agreement that would substantially reduce these forces to equal levels on both sides.

To this end, Ambassador Paul Nitze has informed his Soviet counterpart that we are prepared to negotiate an interim agreement in which the United States would substantially reduce its planned deployment of Pershing II and ground-launched cruise missiles, provided the Soviet Union reduce the number of its warheads on longer range INF missiles to an equal level on a global basis.

Ambassador Nitze has explained that the United States views this proposal as a serious initial step toward the total elimination of this class of weapons. And he has conveyed my hope that the Soviet Union will join us in this view. Our proposal for the entire elimination of these systems remains on the table.

We've suggested that the negotiations resume several weeks earlier than originally planned. The Soviets have agreed to that, and talks will resume on May 17th. I hope this initiative will lead to an early agreement. We remain ready to explore any serious Soviet suggestions that meet the fundamental concerns which we have expressed.

I invited the NATO Ambassadors here today not only to review these developments but to express my appreciation for the firm support which the allies have given to our negotiating effort in Geneva. And I can assure them of my personal commitment to the closest possible consultations with them on the INF.

This consultative process has already proven one of the most intensive and productive in the history of the North Atlantic

alliance. It's made the initiative announced today an alliance initiative in the best sense of that term. And over the past months, we and our allies have consulted intensively on the INF negotiations.

I have been in frequent and close contact with other heads of government. Vice President Bush had a very productive discussion with allied leaders on INF during his trip to Europe. Secretaries Shultz and Weinberger have exchanged views with their counterparts from allied governments. And the NATO Special Consultative Group has met regularly to review the negotiations and consider criteria which should form the basis for the alliance position in INF.

The very thoughtful views expressed by the allies in these consultations have been of significant help in shaping this new initiative. This process is a model for how an alliance of free and democratic nations can and must work together on critical issues. It is the source of our unity and gives us a strength that no one can hope to match. And it gives me great confidence in the eventual success of our efforts in Geneva to create a safer—safer world for all the Earth's people.

Thank you very much.

Note: The President spoke at 10:01 a.m. to the North Atlantic Alliance Ambassadors and administration officials assembled in the East Room at the White House.

Prior to his remarks, the President met with the Ambassadors in the Cabinet Room to discuss the interim agreement proposal.

Nomination of David M. Abshire To Be United States Permanent Representative on the Council of the North Atlantic Treaty Organization

March 30, 1983

The President today announced his intention to nominate David M. Abshire to be the United States Permanent Representative on the Council of the North Atlantic Treaty Organization, with the rank of Ambassador. He would succeed W. Tapley Ben-

nett, Jr.

Dr. Abshire is president of the Georgetown University Center for Strategic and International Studies (CSIS), which he helped found in 1962. He presently serves as a member of the President's Foreign In-

telligence Advisory Board and of the Long Range Planning Advisory Board for the Chief of Naval Operations. Previously Dr. Abshire was Chairman of the U.S. Board for International Broadcasting in 1974–1977; Assistant Secretary of State for Congressional Relations in 1970–1973; executive director, Center for Strategic and International Studies, in 1962–1970; and director of special projects, American Enterprise Institute for Public Policy Research, in 1960–1962.

In 1978–1981 he was director and vice chairman of the Board of Youth for Understanding, the largest international teenage exchange program. Dr. Abshire is a former member of the Board of Advisors of the Naval War College (1975–1977) and was a member of the Congressional Committee on the Organization of the Government for the Conduct of Foreign Policy in 1974–

1976.

Dr. Abshire is a member of the Trilateral Commission and of the Council on Foreign Relations. He serves on the board of the National Park Foundation. He is a director of the Tinker Foundation of New York and of the Atlantic Council of the United States. Dr. Abshire is founder and coeditor of *The Washington Quarterly: A Journal of Strategic and International Studies*. He is the author of a number of books, including “The South Rejects a Prophet”; “International Broadcasting: A New Dimension of Western Diplomacy”; and “Foreign Policy Makers: President vs. Congress.”

He graduated from the United States Military Academy (B.S., 1951) and Georgetown University (Ph. D., 1959). He is married, has five children, and resides in Alexandria, Va. He was born April 11, 1926, in Chattanooga, Tenn.

Nomination of Jay P. Moffat To Be United States Ambassador to Chad

March 30, 1983

The President today announced his intention to nominate Jay P. Moffat, of New Hampshire, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador to the Republic of Chad. The Embassy in N'Djamena was reopened in January 1982.

Mr. Moffat served in the United States Army in 1953–1956. In 1956 he entered the Foreign Service as intelligence research officer in the Bureau of Intelligence and Research. He was consular officer in Kobe-Osaka (1958–1960) and political officer in Paris (1961–1965). In the Department he was officer in charge of Benelux affairs, Bureau of European Affairs (1965–1968), and staff assistant to the Secretary of State

(1968–1969). He was political officer in Bern (1969–1970), Deputy Chief of Mission in Port of Spain (1971–1974), and attended the NATO Defense College in Rome (1974). In 1974–1976 he was Deputy Executive Secretary in the Department. He was Deputy Chief of Mission in Rabat in 1976–1980 and attended the Executive Seminar in National and International Affairs at the Foreign Service Institute in 1980–1981. Since 1982 he has been chargé d'affaires in N'Djamena.

Mr. Moffat graduated from Harvard University (A.B., 1953). His foreign languages are French, German, and Russian. He was born January 17, 1932, in New York, N.Y.

Appointment of Two United States Commissioners of the Ohio River Valley Water Sanitation Commission

March 30, 1983

The President today announced his intention to appoint the following individuals to be Commissioners representing the United States Government on the Ohio River Valley Water Sanitation Commission:

Jean M. Barren will succeed Norman H. Beamer.

She is a member of the Board of Elections of Jefferson County, Ohio. She has been a member of the State and Local Government Commission of Ohio since 1978. She was a member of the Steubenville Metropolitan Planning and Redevelopment Commission in 1957-1973. She graduated from Case Western Re-

serve University (B.S., 1939). She has four children and resides in Steubenville. She was born July 2, 1917.

Joseph D. Cloud will succeed Richard C. Armstrong. He is retired. He was director of the Indiana Department of Natural Resources. He was first elected to the Indiana House of Representatives in 1960 and was reelected in 1962, 1966, 1968, and 1970. During his tenure, he served as chairman of the Education Committee for 6 years. He is married, has one child, and resides in Richmond, Ind. He was born November 8, 1914.

Remarks of President Reagan and President Kenneth Kaunda of Zambia Following Their Meetings

March 30, 1983

President Reagan. Well, it's been our pleasure to welcome to the White House President Kenneth Kaunda of the Republic of Zambia. President Kaunda is no stranger to this house, nor to the people of the United States. As one of Africa's senior and most respected statesmen, he plays an admirable role in international events.

Our talks today covered a broad range of shared concerns and were conducted with the same cordiality and mutual respect which characterizes the relations between our two countries.

I welcomed this opportunity to discuss personally with President Kaunda the vital issue of Namibia. As the leader of one of the frontline states, his counsel and his experience are highly valued during these crucial negotiations. We share a common commitment for the prompt implementation of United Nations Security Council Resolution 435 and look forward to the day when we can celebrate a free and independent Namibia.

Mr. President, we also recognize and applaud your tireless efforts for peace and regional stability in Africa. Your special atten-

tion to African unity and to the organization that gives concrete expression to that concept is greatly admired here. The Organization of African Unity is indispensable to the pursuit of stability and development throughout Africa.

I know that your own country, Zambia, is suffering severe economic hardship as a result of the depressed prices of your primary export commodities. The United States itself is now emerging from a long period of economic uncertainty. We are convinced that our recovery will lead to a healthier world economy and should strengthen demand for Zambian and other producers' minerals.

In the meantime, we support the emphasis that you're placing on developing the agricultural sector of your economy. We're proud to have cooperated with you in that development. Our strong bilateral relationship will be maintained and will evolve as we continue to work together.

I understand that you will be conferring with a wide variety of people during your stay here in Washington. I'm certain they will benefit, as I have, from your views on

our bilateral relationship as well as on regional and global issues.

It's a pleasure, Dr. Kaunda, to have you as our guest in the United States of America. It's been a great pleasure.

President Kaunda. I am delighted to have this opportunity to express, on behalf of my delegation and on my own behalf, our profound gratitude to President Reagan for inviting me to visit the United States at this time. It is a pleasure to be here once again.

We appreciate immensely the warm hospitality which the President and his people have accorded us since our arrival in this beautiful city yesterday. The friendly reception which has been given to us is a reflection of the good relations which happily exist between our two countries and peoples.

I want to particularly thank the President for the discussions which have just ended. These have gone on very well. We have covered a wide range of issues, including Zambia-U.S. relations, southern Africa, the Middle East, and world peace and security. We are both happy at the state of our bilateral relations, which are warm. Both President Reagan and I recognize the need to continue to consolidate and strengthen the ties that exist between our two countries, for we believe that it is in the interests of our countries to develop further these relations.

As might have been expected, our discussions on problems of South Africa and Namibia were extensive. We share an abhorrence of the apartheid system which is being practiced in South Africa. We are both of the view that an early end to this

system will be good for peace, stability, and rich harmony in the southern African region.

On Namibia, I have explained to President Reagan how we in Zambia see the solution to the problem in that country. I have also listened very carefully to President Reagan's views on the problem. We both believe that this is a serious problem to which an early solution is imperative. We agree that the basis of the solution to this problem should be Resolution 435 of the United Nations Security Council. In this connection, we have agreed that our two countries should continue to consult each other on these problems.

We also had occasion to exchange views on the problem in the Middle East and the Arab Gulf States. We are concerned about the continuing absence of peace and stability in the area. We hope that solutions can be found that can lead to durable peace and security in that important area of the world.

Let me once again thank you, Mr. President, for the generous hospitality which you have extended to us. I hope that the discussions we have had will form a strong foundation on which to build our future relations.

Thank you, Mr. President.

Note: President Reagan spoke at 1:22 p.m. to reporters assembled on the South Lawn of the White House.

Earlier, the two Presidents met in the Oval Office and then held a working luncheon, together with Zambian and U.S. officials, in the Residence.

Executive Order 12413—Amending the Generalized System of Preferences

March 30, 1983

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, including Title V of the Trade Act of 1974 (19 U.S.C. 2461 *et seq.*), as amended, Section 604 of the Trade Act of 1974 (19 U.S.C. 2483), and Section

503(a)(2)(A) of the Trade Agreements Act of 1979 (93 Stat. 251), and as President of the United States of America, in order to modify, as provided by Sections 504 (a) and (c) of the Trade Act of 1974 (19 U.S.C. 2464 (a) and (c)), the limitations on preferential

treatment for eligible articles from countries designated as beneficiary developing countries; to adjust the original designation of eligible articles after taking into account information and advice received in fulfillment of Sections 131-134 and 503(a) of the Trade Act of 1974 (19 U.S.C. 2151-2154, 2463); to provide for the continuation, to the greatest extent possible, of preferential treatment under the Generalized System of Preferences (GSP) for articles which are currently eligible for such treatment and which are imported from countries designated as beneficiary developing countries, consistent with the changes to the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) which have resulted from the recent enactment of Public Law 97-446; and to make technical changes in the identification of certain beneficiary developing countries, it is hereby ordered as follows:

Section 1. In order to subdivide and amend the nomenclature of existing items for purposes of the GSP, the TSUS are modified as provided in Annex I, attached hereto and made a part hereof.

Sec. 2. Annex II of Executive Order No. 11888 of November 24, 1975, as amended, listing articles that are eligible for benefits of the GSP when imported from any designated beneficiary developing country, is amended by substituting therefor the new Annex II attached hereto and made a part hereof.

Sec. 3. Annex III of Executive Order No. 11888, as amended, listing articles that are eligible for benefits of the GSP when imported from all designated beneficiary countries except those specified in General Headnote 3(c)(iii) of the TSUS, is amended by substituting therefor the new Annex III, attached hereto and made a part hereof.

Sec. 4. General Headnote 3(c)(iii) of the TSUS, listing articles that are eligible for benefits of the GSP except when imported from the beneficiary countries listed opposite those articles, is modified by substituting therefor the General Headnote 3(c)(iii) set forth in Annex IV, attached hereto and made a part hereof.

Sec. 5. In order to provide staged reductions in the rates of duty for those new TSUS items created by Annex I to this

Order, Annex III to Presidential Proclamation No. 4707 of December 11, 1979, and Annex III to Presidential Proclamation No. 4768 of June 28, 1980, are amended by Annex V to this Order, attached hereto and made a part hereof.

Sec. 6. General Headnote 3(c)(i) of the TSUS listing the designated beneficiary developing countries for purposes of the GSP is modified as provided in Annex VI, attached hereto and made a part hereof.

Sec. 7. Whenever the column 1 rate of duty in the TSUS for any item specified in Annex I to this Order is reduced to the same level as, or to a lower level than, the corresponding rate of duty inserted in the column entitled "LDDC" by Annex I of this Order, the rate of duty in the column entitled "LDDC" for such item shall be deleted from the TSUS.

Sec. 8. Annexes III and IV of Presidential Proclamation No. 4707 of December 11, 1979, and Annexes II, III and IV of Presidential Proclamation No. 4768 of June 28, 1980, are superseded to the extent inconsistent with this Order.

Sec. 9. In order to correct a typographical error in Executive Order No. 12389 of October 25, 1982, Annex II thereto is amended by deleting "effective September, 1982" from footnote 4 and inserting in lieu thereof "effective October 30, 1982." This amendment is effective with respect to articles both: (1) imported on or after January 1, 1976, and (2) entered, or withdrawn from warehouse for consumption, on or after October 30, 1982.

Sec. 10. (a) The deletion, from Annex II of Executive Order No. 11888, as amended, and as further amended by Section 2 of this Order, of TSUS items 642.30, 726.60, 726.62, and 737.45, and the insertion in such Annex II of items 535.13, 642.31, 642.34, and 737.42; the deletion, from Annex III of Executive Order No. 11888, as amended, and as further amended by Section 3 of this Order, of TSUS item 737.50, and the insertion in such Annex III of items 737.43, 737.47, 737.49, and 737.51; and the deletion, from General Headnote 3(c)(iii) of the TSUS as modified by Section 4 of this Order, of "737.50 . . . Hong Kong", and

the insertion in such headnote of the following:

"737.43..... Hong Kong
737.47..... Hong Kong
Taiwan
737.49..... Hong Kong
Taiwan
737.51..... Hong Kong
Taiwan",

shall be effective with respect to articles both: (1) imported on or after January 1, 1976, and (2) entered, or withdrawn from warehouse for consumption, on and after March 31, 1983.

RONALD REAGAN

The White House,
March 30, 1983.

shall be effective with respect to articles that are both (1) imported on or after January 1, 1976, and (2) entered, or withdrawn from warehouse for consumption, on and after January 27, 1983.

Sec. 11. Unless otherwise specified, the remaining amendments made by this Order

[*Filed with the Office of the Federal Register, 12:17 p.m., March 31, 1983*]

Note: The annexes are printed in the Federal Register of April 1, 1983.

The text of the Executive order was released by the Office of the Press Secretary on March 31.

Remarks and a Question-and-Answer Session at the Los Angeles World Affairs Council Luncheon in California March 31, 1983

The President. Thank you, Dr. Singleton,¹ the president, and presidents past, and distinguished guests, and you ladies and gentlemen, thank you all for a very warm welcome. I can tell you that our eyes turn westward constantly in Washington. The only problem with coming out here is it's so hard to go back. [*Laughter*]

Last week, I spoke to the American people about our plans for safeguarding this nation's security and that of our allies. And I announced a long-term effort in scientific research to counter someday the menace of offensive nuclear missiles. What I have proposed is that nations should turn their best energies to moving away from the nuclear nightmare. We must not resign ourselves to a future in which security on both sides depends on threatening the lives of millions of innocent men, women, and children. And today, I would like to discuss another vital aspect of our national security: our efforts to limit and reduce the danger of modern weaponry.

We live in a world in which total war

would mean catastrophe. We also live in a world that's torn by a great moral struggle between democracy and its enemies, between the spirit of freedom and those who fear freedom.

In the last 15 years or more, the Soviet Union has engaged in a relentless military buildup, overtaking and surpassing the United States in major categories of military power, acquiring what can only be considered an offensive military capability. All the moral values which this country cherishes—freedom, democracy, the right of peoples and nations to determine their own destiny, to speak and write, to live and worship as they choose—all these basic rights are fundamentally challenged by a powerful adversary which does not wish these values to survive.

This is our dilemma, and it's a profound one. We must both defend freedom and preserve the peace. We must stand true to our principles and our friends while preventing a holocaust.

The Western commitment to peace through strength has given Europe its longest period of peace in a century. We cannot

¹ Henry Singleton, president of the Los Angeles World Affairs Council.

conduct ourselves as if the special danger of nuclear weapons did not exist. But we must not allow ourselves to be paralyzed by the problem, to abdicate our moral duty. This is the challenge that history has left us.

We of the 20th century who so pride ourselves on mastering even the forces of nature—except last week when the Queen was here—[*laughter*—we're forced to wrestle with one of the most complex moral challenges ever faced by any generation. Now, my views about the Soviet Union are well known, although, sometimes I don't recognize them when they're played back to me. [*Laughter*] And our program for maintaining, strengthening, and modernizing our national defense has been clearly stated. Today, let me tell you something of what we're doing to reduce the danger of nuclear war.

Since the end of World War II the United States has been the leader in the international effort to negotiate nuclear arms limitations. In 1946, when the United States was the only country in the world possessing these awesome weapons, we did not blackmail others with threats to use them, nor did we use our enormous power to conquer territory, to advance our position, or to seek domination. Doesn't our record alone refute the charge that we seek superiority, that we represent a threat to peace?

We proposed the Baruch plan for international control of all nuclear weapons and nuclear energy, for everything nuclear to be turned over to an international agency. And this was rejected by the Soviet Union. Several years later, in 1955, President Eisenhower presented his "open skies" proposal, that the United States and the Soviet Union would exchange blueprints of military establishments and permit aerial reconnaissance to ensure against the danger of surprise attack. This, too, was rejected by the Soviet Union.

Now, since then, some progress has been made, largely at American initiative. The 1963 Limited Test Ban Treaty prohibited nuclear testing in the atmosphere, in outer space, or under water. The creation of the "Hot Line" in 1963, upgraded in 1971, provides direct communication between Washington and Moscow to avoid miscalculation during a crisis. The Nuclear Non-Prolifera-

tion Treaty of 1968 sought to prevent the spread of nuclear weapons. In 1971 we reached an agreement on special communication procedures to safeguard against accidental or unauthorized use of nuclear weapons and on a seabed arms control treaty, which prohibits the placing of nuclear weapons on the seabed of the ocean floor. The Strategic Arms Limitation Agreements of 1972 imposed limits on antiballistic missile systems and on numbers of strategic, offensive missiles. And the 1972 Biological Warfare Convention bans—or was supposed to ban—the development, production, and stockpiling of biological and toxin weapons.

But while many agreements have been reached, we've also suffered many disappointments.

The American people had hoped, by these measures, to reduce tensions and start to build a constructive relationship with the Soviet Union. Instead, we have seen Soviet military arsenals continue to grow in virtually every significant category. We've seen the Soviet Union project its power around the globe. We've seen Soviet resistance to significant reductions and measures of effective verification, especially the latter. And, I'm sorry to say, there have been increasingly serious grounds for questioning their compliance with the arms control agreements that have already been signed and that we've both pledged to uphold. I may have more to say on this in the near future.

Coming into office, I made two promises to the American people about peace and security. I promised to restore our neglected defenses, in order to strengthen and preserve the peace, and I promised to pursue reliable agreements to reduce nuclear weapons. Both these promises are being kept.

Today, not only the peace but also the chances for real arms control depend on restoring the military balance. We know that the ideology of the Soviet leaders does not permit them to leave any Western weakness unprobed, any vacuum of power unfilled. It would seem that to them negotiation is only another form of struggle. Yet, I believe the Soviets can be persuaded to reduce their arsenals—but only if they see

it's absolutely necessary. Only if they recognize the West's determination to modernize its own military forces will they see an incentive to negotiate a verifiable agreement establishing equal, lower levels. And, very simply, that is one of the main reasons why we must rebuild our defensive strength.

All of our strategic force modernization has been approved by the Congress except for the land-based leg of the Triad. We expect to get congressional approval on this final program later this spring. A strategic forces modernization program depends on a national, bipartisan consensus. Over the last decade, four successive administrations have made proposals for arms control and modernization that have become embroiled in political controversy. No one gained from this divisiveness; all of us are going to have to take a fresh look at our previous positions. I pledge to you my participation in such a fresh look and my determination to assist in forging a renewed, bipartisan consensus.

My other national security priority on assuming office was to thoroughly reexamine the entire arms control agenda. Since then, in coordination with our allies, we've launched the most comprehensive program of arms control initiatives ever undertaken. Never before in history has a nation engaged in so many major simultaneous efforts to limit and reduce the instruments of war.

Last month in Geneva the Vice President committed the United States to negotiate a total and verifiable ban on chemical weapons. Such inhumane weapons, as well as toxin weapons, are being used in violation of international law in Afghanistan, in Laos, and Kampuchea.

Together with our allies, we've offered a comprehensive, new proposal for mutual and balanced reduction of conventional forces in Europe.

We have recently proposed to the Soviet Union a series of further measures to reduce the risk of war from accident or miscalculation. And we're considering significant new measures resulting in part from consultations with several distinguished Senators.

We've joined our allies in proposing a Conference on Disarmament in Europe. On

the basis of a balanced outcome of the Madrid meeting, such a conference will discuss new ways to enhance European stability and security.

We have proposed to the Soviet Union improving the verification provisions of two agreements to limit underground nuclear testing, but, so far, the response has been negative. We will continue to try.

And, most importantly, we have made far-reaching proposals, which I will discuss further in a moment, for deep reductions in strategic weapons and for elimination of an entire class of intermediate-range weapons.

I am determined to achieve real arms control—reliable agreements that will stand the test of time, not cosmetic agreements that raise expectations only to have hopes cruelly dashed.

In all these negotiations certain basic principles guide our policy. First, our efforts to control arms should seek reductions on both sides—significant reductions. Second, we insist that arms control agreements be equal and balanced. Third, arms control agreements must be effectively verifiable. We cannot gamble with the safety of our people and the people of the world. Fourth, we recognize that arms control is not an end in itself, but a vital part of a broad policy designed to strengthen peace and stability. It's with these firm principles in mind that this administration has approached negotiations on the most powerful weapons in the American and Soviet arsenals—strategic nuclear weapons.

In June of 1982 American and Soviet negotiators convened in Geneva to begin the Strategic Arms Reduction Talks, what we call START. We've sought to work out an agreement reducing the levels of strategic weapons on both sides. I proposed reducing the number of ballistic missiles by one-half and the number of warheads by one-third. No more than half the remaining warheads could be on land-based missiles. This would leave both sides with greater security at equal and lower levels of forces. Not only would this reduce numbers; it would also put specific limits on precisely those types of nuclear weapons that pose the most danger.

The Soviets have made a counterpropos-

al. We've raised a number of serious concerns about it. But—and this is important—they have accepted the concept of reductions. Now, I expect this is because of the firm resolve that we have demonstrated. In the current round of negotiations, we've presented them with the basic elements of a treaty for comprehensive reductions in strategic arsenals. The United States also has, in START, recently proposed a draft agreement on a number of significant measures to build confidence and reduce the risks of conflict. This negotiation is proceeding under the able leadership of Ambassador Edward Romney on our side—Edward Rowny, I should say, is on our side.

We're also negotiating in Geneva to eliminate an entire class of new weapons from the face of the Earth. Since the end of the mid-1970's, the Soviet Union has been deploying an intermediate-range nuclear missile, the SS-20, at a rate of one a week. There are now 351 of these missiles, each with three highly accurate warheads capable of destroying cities and military bases in Western Europe, Asia, and the Middle East.

NATO has no comparable weapon, nor did NATO in any way provoke this new, unprecedented escalation. In fact, while the Soviets were deploying their SS-20's, we were taking a thousand nuclear warheads from shorter range weapons out of Europe.

This major shift in the European military balance prompted our West European allies themselves to propose that NATO find a means of righting the balance. And in December of '79, they announced a collective two-track decision. First, to deploy in Western Europe 572 land-based cruise missiles and Pershing II ballistic missiles, capable of reaching the Soviet Union. The purpose: to offset and deter the Soviet SS-20's. The first of these NATO weapons are scheduled for deployment by the end of this year. Second, to seek negotiations with the Soviet Union for the mutual reduction of these intermediate-range missiles.

In November of 1981 the United States, in concert with our allies, made a sweeping new proposal: NATO would cancel its own deployment if the Soviets eliminated theirs. The Soviet Union refused and set out to intensify public pressures in the West to block the NATO deployment, which has not

even started. Meanwhile, the Soviet weapons continue to grow in number.

Our proposal was not made on a take-it-or-leave-it basis. We're willing to consider any Soviet proposal that meets these standards of fairness. An agreement must establish equal numbers for both Soviet and American intermediate-range nuclear forces. Other countries' nuclear forces, such as the British and French, are independent and are not part of the bilateral U.S.-Soviet negotiations. They are, in fact, strategic weapons, and the Soviet strategic arsenal more than compensates for them. Next, an agreement must not shift the threat from Europe to Asia. Given the range in mobility of the SS-20's, meaningful limits on these and comparable American systems must be global. An agreement must be effectively verifiable. And an agreement must not undermine NATO's ability to defend itself with conventional forces.

We've been consulting closely with our Atlantic allies, and they strongly endorse these principles.

Earlier this week, I authorized our negotiator in Geneva, Ambassador Paul Nitze, to inform the Soviet delegation of a new American proposal which has the full support of our allies. We're prepared to negotiate an interim agreement to reduce our planned deployment if the Soviet Union will reduce their corresponding warheads to an equal level. This would include all U.S. and Soviet weapons of this class, wherever they're located.

Our offer of zero on both sides will, of course, remain on the table as our ultimate goal. At the same time, we remain open—as we have been from the very outset—to serious counterproposals. The Soviet negotiators have now returned to Moscow, where we hope our new proposal will receive careful consideration during the recess. Ambassador Nitze has proposed and the Soviets have agreed that negotiations resume in mid-May, several weeks earlier than scheduled.

I'm sorry that the Soviet Union, so far, has not been willing to accept the complete elimination of these systems on both sides. The question I now put to the Soviet Government is: If not elimination, to what

equal level are you willing to reduce? The new proposal is designed to promote early and genuine progress at Geneva.

For arms control to be truly complete and world security strengthened, however, we must also increase our efforts to halt the spread of nuclear arms. Every country that values a peaceful world order must play its part.

Our allies, as important nuclear exporters, also have a very important responsibility to prevent the spread of nuclear arms. To advance this goal, we should all adopt comprehensive safeguards as a condition for nuclear supply commitments that we make in the future. In the days ahead, I'll be talking to other world leaders about the need for urgent movement on this and other measures against nuclear proliferation.

Now, that's the arms control agenda we've been pursuing. Our proposals are fair. They're far-reaching and comprehensive. But we still have a long way to go.

We Americans are sometimes an impatient people. I guess it's a symptom of our traditional optimism, energy, and spirit. Often, this is a source of strength. In a negotiation, however, impatience can be a real handicap. Any of you who've been involved in labor-management negotiations or any kind of bargaining know that patience strengthens your bargaining position. If one side seems too eager or desperate, the other side has no reason to offer a compromise and every reason to hold back, expecting that the more eager side will cave in first.

Well, this is a basic fact of life we can't afford to lose sight of when dealing with the Soviet Union. Generosity in negotiation has never been a trademark of theirs. It runs counter to the basic militancy of Marxist-Leninist ideology. So, it's vital that we show patience, determination, and above all, national unity. If we appear to be divided, if the Soviets suspect that domestic political pressure will undercut our position, they'll dig in their heels. And that can only delay an agreement and may destroy all hope for an agreement.

That's why I've been concerned about the nuclear freeze proposals, one of which is being considered at this time by the House of Representatives. Most of those who support the freeze, I'm sure, are well

intentioned, concerned about the arms race and the danger of nuclear war. No one shares their concern more than I do. But however well intentioned they are, these freeze proposals would do more harm than good. They may seem to offer a simple solution. But there are no simple solutions to complex problems. As H. L. Mencken once wryly remarked, he said, "For every problem, there's one solution which is simple, neat, and wrong." [*Laughter*]

The freeze concept is dangerous for many reasons. It would preserve today's high, unequal, and unstable levels of nuclear forces, and, by so doing, reduce Soviet incentives to negotiate for real reductions.

It would pull the rug out from under our negotiators in Geneva, as they have testified. After all, why should the Soviets negotiate if they've already achieved a freeze in a position of advantage to them?

Also, some think a freeze would be easy to agree on, but it raises enormously complicated problems of what is to be frozen, how it is to be achieved and, most of all, verified. Attempting to negotiate these critical details would only divert us from the goal of negotiating reductions for who knows how long.

The freeze proposal would also make a lot more sense if a similar movement against nuclear weapons were putting similar pressures on Soviet leaders in Moscow. As former Secretary of Defense Harold Brown has pointed out, the effect of the freeze "is to put pressure on the United States, but not on the Soviet Union."

Finally, the freeze would reward the Soviets for their 15-year buildup while locking us into our existing equipment, which in many cases is obsolete and badly in need of modernization. Three-quarters of Soviet strategic warheads are on delivery systems 5 years old or less. Three-quarters of the American strategic warheads are on delivery systems 15 years old or older. The time comes when everything wears out. The trouble is it comes a lot sooner for us than for them. And, under a freeze, we couldn't do anything about it.

Our B-52 bombers are older than many of the pilots who fly them. If they were automobiles, they'd qualify as antiques. A

freeze could lock us into obsolescence. It's asking too much to expect our service men and women to risk their lives in obsolete equipment. The 2 million patriotic Americans in the armed services deserve the best and most modern equipment to protect them and us.

I'm sure that every President has dreamt of leaving the world a safer place than he found it. I pledge to you, my goal—and I consider it a sacred trust—will be to make progress toward arms reductions in every one of the several negotiations now underway.

I call on all Americans of both parties and all branches of government to join in this effort. We must not let our disagreements or partisan politics keep us from strengthening the peace and reducing armaments.

I pledge to our allies and friends in Europe and Asia, we will continue to consult with you closely. We're conscious of our responsibility when we negotiate with our adversaries on conditions of—or issues of concern to you and your safety and well-being.

To the leaders and people of the Soviet Union, I say, join us in the path to a more peaceful, secure world. Let us vie in the realm of ideas, on the field of peaceful competition. Let history record that we tested our theories through human experience, not that we destroyed ourselves in the name of vindicating our way of life. And let us practice restraint in our international conduct, so that the present climate of mistrust can some day give way to mutual confidence and a secure peace.

What better time to rededicate ourselves to this undertaking than in the Easter season, when millions of the world's people pay homage to the One who taught us, peace on Earth, good will toward men?

This is the goal, my fellow Americans, of all the democratic nations—a goal that requires firmness, patience, and understanding. If the Soviet Union responds in the same spirit, we're ready. And we can pass on to our posterity the gift of peace—that and freedom are the greatest gifts that one generation can bequeath to another.

Thank you, and God bless you.

*Mr. Haddad.*² Thank you very, very much, Mr. President.

Ladies and gentlemen, President Reagan has graciously agreed to answer a few questions from the audience. We respectfully ask that the questions be short and to the point, and no speeches. *[Laughter]*

We'll start over here. Yes, sir?

Kenneth L. Adelman

Q. [Inaudible]

Mr. Haddad. Would the President please give us an update on the nomination of Kenneth Adelman?

The President. Well, it will be taken up now by the Senate, because it has passed out of committee to the floor, although it passed out with a one margin negative vote against him.

I am optimistic that the Senate will ratify him. He is an excellent choice. He does have the knowledge and experience and ability that we need, and he is highly respected in diplomatic circles. And I just think that since the biggest thing that they could ever find out against him in the committee was that somebody wrote him a letter and they didn't like the letter—he didn't write it, he received it. *[Laughter]* And I think he should be ratified, and I'm looking forward to it.

Mr. Haddad. Thank you. Another question. That gentleman right over there. Yes, sir?

1984 Presidential Campaign

Q. [Inaudible]

Mr. Haddad. Thank you. The gentleman says in view of the delay of agreement or of the Soviets on arms control, wouldn't it be better for the President to declare his intention to run for office again earlier?

The President. Well, I can't give a very specific answer to that. I can only say that, you know, if too early you become a lame-duck and then you can't get anything done—and if the answer is one way. And if the answer is the other way, then everything you try to do is viewed as being political and part of a campaign.

²*Edmonde A. Haddad, executive director of the Los Angeles World Affairs Council.*

I have said that I think the people tell you whether you should seek reelection or not, and I will remember your response to the question.

Mr. Haddad. The gentleman in the tan suit standing in the back.

Guidelines for the Press

Q. [Inaudible]

Mr. Haddad. The gentleman questions the new guidelines set by the White House and the President on the press. Are we not imitating our adversaries when we set such tough guidelines?

The President. No, I don't believe so. What we're trying to control is what seems to be the favorite game of Washington—even more popular than the Redskins—and that is leaks. As a matter of fact, I think sometimes that we ought to just turn to the chandeliers and tell them what it is that we're trying to do, because they must have ears. *[Laughter]*

The trouble is, some of the leaks are unfounded, or they're from people down in the bureaucracy someplace who only know a part of what they're leaking. Sometimes it is misinformation on, maybe, a memorandum of options that has been presented to the Cabinet and to the President. And they're leaked before they've even been seen. And they're leaked as being decisions that have already been made.

But the worst part of it is that then the interpretation that is very often put on this incomplete or misinformation is such that it actually can endanger the things that I have been talking about here today. If you're going to negotiate, you can't be in the position of saying in advance, "Well, what's your backup position, or what are you going to do, and what is your strategy?" And yet, this comes about in the press and leads the other side of the table to believe, "Well, they're considering something else."

We have actually had to do something in the line of explaining and apologizing when leaks that are absolutely fallacious, have brought a difference, a kind of confrontation between ourselves and some of our friends and allies in the world. And all we've proposed is methods of intercepting the leaks from the government, itself, to the press.

But I don't believe that we're making it difficult at all. As a matter of fact, I have increased the amount of time that I'm going to spend with the press. And we started last week on that, so that they will have greater access to me. And I just think that the press must recognize it, too, has a responsibility for the welfare of the Nation.

The Middle East

Mr. Haddad. Mr. President, Ambassador Habib³ has just returned from the Middle East. I wonder if you could give us an update on your peace initiative, where it stands in the Middle East at this time.

The President. Well, it has been a frustrating experience. And there have been gains made. But there are still some points of disagreement.

We believed in the original proposal—and this has been confirmed by many nations in the Middle East—that we cannot proceed with the general subject of overall peace for that troubled area until the forces that are in Lebanon get out, and the Lebanese Government is at last, after all these years, allowed to establish its own sovereignty over its own land. Lebanon has asked for this at the—the Israelis are still in there, the Syrians are still with occupying forces, and there are elements of the PLO still there. And what we have sought is a withdrawal of these forces to their own borders. This is one of the reasons for the multinational forces being there, to help Lebanon maintain order while they bring this about, and then proceed at the negotiating table to take up the overall problems.

Very simply, what the whole goal of our plan is—and it's being delayed until we can get this clearing of Lebanon—the goal is to create more Egypt. Egypt and Israel were once at war, and they came together with a peace treaty and became friends there in the Middle East. I don't think that it's impossible to believe that among the Arab States there are other potential Israels and that—my dream is that Israel can only know real security if it doesn't have to remain an armed camp far beyond what its

³ Philip C. Habib, the President's Special Representative for the Middle East.

size warrants, but could know the security of being surrounded by neighbors that recognize its right to exist as a nation and have signed peace treaties with them.

Thank you.

Mr. Haddad. All right. This lady right over here.

Q. [Inaudible]

Mr. Haddad. This lady compliments the President. She's just returned from a trip in Latin America and say they all support us there or—

The President. Thank you very much.

Mr. Haddad. This questioner right here.

Arms Sales to Israel

Q. [Inaudible]

Mr. Haddad. Thank you. The gentleman wonders with the installation of Soviet SAM-5's in Syria, is the President prepared to release the American planes scheduled for shipment to Israel?

The President. You must realize that under the law—the law exists now—those weapons must be for defensive purposes. And this is, again, one of the obstacles presented by the stalemate in Lebanon. While these forces are in the position of occupying another country that now has asked them to leave, we are forbidden by law to release those planes. They're F-16's, the planes that are on order. And it's as simple as the other forces returning to their own countries and letting Lebanon be Lebanon.

Mr. Haddad. This'll be the last question, ladies and gentlemen, the last question. And before—would all please remain seated until the Presidential party leaves the room?

The gentleman over here, yes.

U.S.-European Relations

Q. [Inaudible]

Mr. Haddad. Would the President support a greater public relations for a closer relationship with the peoples of Europe, inasmuch as they seem to be our first line of defense?

The President. Yes. And we have been trying to do more in that regard.

I think the relationship that we have with the countries of Western Europe now, between our government and theirs, is probably better and firmer than it's ever been. But it is true that there is a great counter-propaganda effort there trying to divide us from our allies, or divide them from us, and at the same time to prevent the deployment, the scheduled deployment of the Pershings and the cruise missiles versus the SS-20's.

And we have—this was part of the reason for Vice President Bush's trip there. We are using other measures. I don't know whether we can actually turn around some of the people that have organized, as they have here, in regard to the nuclear freeze and so forth. I understand they're planning over this weekend sizable demonstrations there.

But you're right, we have not been the best, in years past, at matching our adversaries in propaganda. And we've got something to sell, and we better start selling it.

Thank you all very much.

Note: The President spoke at 12:55 p.m. in the International Ballroom at the Beverly Hilton Hotel. Prior to his appearance at the luncheon, he attended a reception for council members at the hotel.

Following his remarks, the President went to Rancho del Cielo, his ranch near Santa Barbara, Calif.

Message to the Congress on Heavyweight Motorcycle Imports April 1, 1983

To the Congress of the United States:

In accordance with Section 203(b)(1) of the Trade Act of 1974, I am reporting to the Congress on my decision concerning

imports of heavyweight motorcycles (engines over 700 cc). I have decided to impose the import relief recommended by the U.S. International Trade Commission

(USITC) with one modification. The USITC remedy involves the imposition of incremental tariffs beginning with 45 percent *ad valorem* above the current rate and declining to 35, 20, 15, and 10 percent in subsequent years above the scheduled tariffs.

I have determined that import relief in this case is consistent with our national economic interest. The domestic industry is threatened by serious injury because of increased imports. I have maintained that I would enforce our trade laws where necessary and where such actions are consistent with our international obligations.

It is necessary to modify the USITC remedy to enable small volume foreign producers that are not a cause of threat of

injury to the U.S. industry to have continued access to U.S. markets. I therefore will proclaim tariff-rate quotas for imports of heavyweight motorcycles of 5,000 units (increasing yearly to 6,000, 7,000, 8,500, and 10,000) for imports from the Federal Republic of Germany, and a total of 4,000 units (increasing by 1,000 yearly) for imports from all other countries except Japan. In order to treat Japan fairly, I will also proclaim a tariff-rate quota of 6,000 units (increasing by 1,000 yearly) for imports from Japan.

RONALD REAGAN

The White House,
April 1, 1983.

Memorandum on Heavyweight Motorcycle Imports April 1, 1983

Memorandum for the United States Trade Representative

Subject: Motorcycle Import Relief Determination

Pursuant to Section 202(b)(1) of the Trade Act of 1974 (P.L. 93-618, 88 Stat. 1978), I have determined the action I will take with respect to the report of the United States International Trade Commission (USITC), transmitted to me on February 1, 1983, concerning the results of its investigation of a petition for import relief filed by the Harley-Davidson Motor Co., Inc., and Harley-Davidson York, Inc., producers of heavyweight motorcycles, provided for in item 692.50 of the Tariff Schedules of the United States (TSUS).

After considering all relevant aspects of the case, including those set forth in Section 202(c) of the Trade Act of 1974, I have determined that granting import relief is consistent with our national economic interest. Therefore, I will proclaim the USITC five-year import relief remedy with one modification. I will impose tariff increases of 45 percent *ad valorem* in the first year, declining to 35, 20, 15 and 10 percent above scheduled rates in subsequent years.

Imposition of these tariff increases should allow the heavyweight motorcycle industry to adjust to the threat of injury caused by increased imports, which have raised inventories to twice their normal level.

To assure small volume producers who have not contributed to that threat of injury continued access to U.S. markets for heavyweight motorcycles, I will modify the USITC remedy by proclaiming tariff-rate quotas of 5,000 units (increasing yearly to 6,000, 7,000, 8,500 and 10,000) for imports of motorcycles manufactured in the Federal Republic of Germany, and 4,000 units (increasing yearly by 1,000) for imports from all other countries except Japan. The additional duties will apply to all imports above the tariff-rate quotas. In order to treat Japan fairly I will also proclaim a tariff-rate quota of 6,000 units (increasing 1,000 yearly) for motorcycles imported from Japan.

I also direct you to keep the issue under close review so that, should the U.S. motorcycle industry no longer need this level of relief, you may, in consultation with the Trade Policy Committee, obtain other necessary advice and propose changes in the

terms of relief. If no earlier review is initiated by such conditions, you are to undertake such a review in two years. The objectives of this review would be to assess the effec-

tiveness of import relief and Harley-Davidson's trade adjustment efforts.

RONALD REAGAN

Radio Address to the Nation on the Observance of Easter and Passover

April 2, 1983

My fellow Americans:

This week as American families draw together in worship, we join with millions upon millions of others around the world also celebrating the traditions of their faiths. During these days, at least, regardless of nationality, religion, or race, we are united by faith in God, and the barriers between us seem less significant.

Observing the rites of Passover and Easter, we're linked in time to the ancient origins of our values and to the unborn generations who will still celebrate them long after we're gone. As Paul explained in his Epistle to the Ephesians, "He came and preached peace to you who were far away and peace to those who were near. So then you were no longer strangers and aliens, but you were fellow citizens of God's household."

This is a time of hope and peace, when our spirits are filled and lifted. It's a time when we give thanks for our blessings—chief among them, freedom, peace, and the promise of eternal life.

This week Jewish families and friends have been celebrating Passover, a tradition rich in symbolism and meaning. Its observance reminds all of us that the struggle for freedom and the battle against oppression waged by Jews since ancient times is one shared by people everywhere. And Christians have been commemorating the last momentous days leading to the crucifixion of Jesus 1,950 years ago. Tomorrow, as morning spreads around the planet, we'll celebrate the triumph of life over death, the Resurrection of Jesus. Both observances tell of sacrifice and pain but also of hope and triumph.

As we look around us today, we still find

human pain and suffering, but we also see it answered with individual courage and spirit, strengthened by faith. For example, the brave Polish people, despite the oppression of a godless tyranny, still cling to their faith and their belief in freedom. Shortly after Palm Sunday Mass this week, Lech Walesa faced a cheering crowd of workers outside a Gdansk church. He held his hand up in a sign of victory and predicted, "The time will come when we will win."

Recently, an East German professor, his wife, and two daughters climbed into a 7-foot rowboat and crossed the freezing, wind-whipped Baltic to escape from tyranny. Arriving in West Germany after a harrowing 7-hour, 31-mile journey past East German border patrols, the man said he and his family had risked everything so that the children would have the chance to grow up in freedom.

In Central America Communist-inspired revolution still spreads terror and instability, but it's no match for the much greater force of faith that runs so deep among the people. We saw this during Pope John Paul II's recent visit there. As he conducted a Mass in Nicaragua, state police jeered and led organized heckling by Sandinista supporters. But the Pope lifted a crucifix above his head and waved it at the crowd before him, then turned and symbolically held it up before the massive painting of Sandinista soldiers that loomed behind. The symbol of good prevailed. In contrast, everywhere else the Holy Father went in the region, spreading a message that only love can build, he was met by throngs of enthusiastic believers, eager for Papal guidance and blessing.

In this Easter season when so many of our

young men and women in the Armed Forces are stationed so very far from their homes, I can't resist recounting at least one example of their sacrifice and heroism. Every day I receive reports that would make you very proud, and today I'd like to share just one with you.

While the San Diego-based U.S.S. *Hoel* was steaming toward Melbourne, Australia, on Ash Wednesday, its crew heard of terrible brush fires sweeping two Australian States. More than 70 people were killed and the destruction was great. Well, the crew of this American ship raised \$4,000 from their pockets to help, but they felt that it wasn't enough. So, leaving only a skeleton crew aboard, the 100 American sailors gave up a day's shore leave, rolled up their sleeves, and set to work rebuilding a ruined community on the opposite end of the Earth. Just Americans being Americans, but something for all of us to be proud of.

Stories like these—of men and women around the world who love God and freedom—bear a message of world hope and brotherhood like the rites of Passover and Easter that we celebrate this weekend.

A grade school class in Somerville, Massachusetts, recently wrote me to say, "We studied about countries and found out that each country in our world is beautiful and that we need each other. People may look a little different, but we're still people who

need the same things." They said, "We want peace. We want to take care of one another. We want to be able to get along with one another. We want to be able to share. We want freedom and justice. We want to be friends. We want no wars. We want to be able to talk to one another. We want to be able to travel around the world without fear."

And then they asked, "Do you think that we can have these things one day?" Well, I do. I really do. Nearly 2,000 years after the coming of the Prince of Peace, such simple wishes may still seem far from fulfillment. But we can achieve them. We must never stop trying.

The generation of Americans now growing up in schools across our country can make sure the United States will remain a force for good, the champion of peace and freedom, as their parents and grandparents before them have done. And if we live our lives and dedicate our country to truth, to love, and to God, we will be a part of something much stronger and much more enduring than any negative power here on Earth. That's why this weekend is a celebration and why there is hope for us all.

Thanks for listening, and God bless you.

Note: The President spoke at 9:06 a.m. from Rancho del Cielo, his ranch near Santa Barbara, Calif.

Nomination of James D. Rosenthal To Be United States Ambassador to Guinea

April 4, 1983

The President today announced his intention to nominate James D. Rosenthal, of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador to the People's Revolutionary Republic of Guinea. He would succeed Allen Clayton Davis.

Mr. Rosenthal served in the United States Marine Corps in 1953–1955 as a lieutenant. He entered the Foreign Service in 1956 as staff assistant in the Bureau of Administration. In 1958–1960 he was administrative

officer in Port of Spain and attended Vietnamese language training at the Foreign Service Institute in 1960–1961. He was political officer in Saigon (1961–1965) and a faculty member at the United States Military Academy (1965–1967). In the Department he was international relations officer for Vietnam affairs in 1967–1970 and a member of the Delegation to the Vietnam Peace Talks in Paris in 1970–1972. He was Deputy Chief of Mission in Bangui in 1972–1974. In 1974–1975 he attended the Nation-

al War College and was Director of Vietnam, Laos, and Cambodia affairs in the Department in 1975–1977. In 1977–1979 he was Deputy Chief of Mission in Kuala Lumpur, and in Manila in 1979–1982.

Mr. Rosenthal graduated from Stanford University (B.A., 1954). His foreign languages are French, Vietnamese, and Spanish. He was born January 15, 1932, in San Francisco, Calif.

Message to the Space Shuttle *Challenger* Astronauts April 4, 1983

On behalf of the American people, I send astronauts Paul Weitz, Karol Bobko, Story Musgrave, and Donald Peterson our proudest congratulations on the launch of the *Challenger*. Today you are among the few people of this planet who have crossed into a domain and experienced a dimension those of us here on the ground can barely imagine. You are no longer earthbound.

The *Challenger* is an appropriate name for your spacecraft, because you genuinely are challengers. You and your ground crew are daring the future and the old ways of thinking that kept us looking to the heavens rather than traveling to them. You symbolize just how high America's hopes can soar.

May God bless you and bring you safely home to us, again.

Proclamation 5038—Swedish-American Friendship Day, 1983 April 4, 1983

*By the President of the United States
of America*

A Proclamation

On April 3, 1783, Ambassador Extraordinary Gustav Philip Creutz, representing the King of Sweden, and Benjamin Franklin, Minister Plenipotentiary of the United States of America, signed a Treaty of Amity and Commerce in Paris, France. In the Treaty, they pledged, "firm, inviolable and universal peace and a true and sincere friendship between the King, his heirs and successors, and the United States of America."

They could not then know how dramatically that friendship would flourish, and how closely mingled the fates and fortunes of the two lands would become. During the nineteenth century, thousands of Swedes joined the great current of Scandinavian migration to the United States. Once there, they helped push the frontier westward, achieving great successes in agriculture and industry. Their achievements constitute

proud monuments to the Swedish-American heritage and to the development of our country.

Democratic ideals, a belief in ingenuity and hard work, concern for the individual, and free trade are among the many values and principles both countries share. Because of the extensive commerce and interchange of persons and ideas between Sweden and the United States, we have long enjoyed a deep understanding of each other.

For these reasons, the Congress, by Senate Joint Resolution 64, has authorized and requested the President to proclaim April 4, 1983, as Swedish-American Friendship Day.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate April 4, 1983, as Swedish-American Friendship Day. I invite the people of the United States to honor the Bicentennial of the Treaty of Amity and Commerce that day by holding appropriate

ceremonies and activities in suitable places throughout the land.

In Witness Whereof, I have hereunto set my hand this fourth day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of

the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:48 a.m., April 5, 1983]

Proclamation 5039—National Child Abuse Prevention Month, 1983 April 4, 1983

By the President of the United States of America

A Proclamation

Child abuse and child neglect continue to threaten the lives and health of over a million of our Nation's children. Their physical suffering and emotional anguish challenge us, as parents, neighbors, and citizens, to increase our attention to their protection and intensify our efforts to prevent their maltreatment.

Children may be endangered by physical battering, denial of the basic necessities for life and health, sexual abuse and exploitation, or emotional cruelty. Public concern can help prevent maltreatment and help protect children. Action taken after cruelty has occurred is often too late. Prevention of abuse requires that neighborhoods and communities be attentive to the problems of families in their midst and be willing to help when help is needed. It requires the active concern of educational, medical, mental health, law enforcement, and social service professionals, and the efforts of volunteers and private citizens.

The health and well-being of our children underlie the future of our Nation. The Congress, by Senate Joint Resolution 21, has recognized the need for public attention to

prevention of child abuse and has requested me to proclaim April 1983 as National Child Abuse Prevention Month.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of April 1983 as "National Child Abuse Prevention Month." I urge all citizens to renew our Nation's commitment to meet the serious challenge that child abuse and child neglect pose to the welfare of our children and families.

I invite the Governors of the States; the Commonwealth of Puerto Rico and the Territories; the Mayor of the District of Columbia; the heads of voluntary and private groups; and the offices of local, State and Federal government to join in this observance. I also urge them to encourage activities whose purpose is to prevent and treat child abuse and child neglect.

In Witness Whereof, I have hereunto set my hand this 4th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:49 a.m., April 5, 1983]

Proclamation 5040—Pan American Day and Pan American Week, 1983

April 4, 1983

*By the President of the United States
of America*

A Proclamation

For the last fifty-two years, the proclamation of an annual Pan American Day has brought to the attention of the world the unique harmony of ideals inspiring the nations of the western hemisphere. These common goals of peace, prosperity, and freedom serve as the foundation for the Organization of American States, which is charged with upholding and defending these principles.

The OAS has succeeded admirably in maintaining and strengthening the traditional bonds of friendship among the peoples of the Americas. At the same time, the peacekeeping mechanisms forged by the OAS member nations have proved effective in preventing the level of conflict that has afflicted other areas of the globe.

The commitment of the Pan American nations to work together to solve their problems has prompted the creation of several specialized inter-American agencies. These agencies, along with the major councils of the OAS, have been instrumental in promoting the economic, social, scientific, educational, and cultural development of the Pan American nations. The Inter-American Human Rights Commission also has made a significant contribution to strengthening respect for basic liberties throughout the hemisphere.

Cooperation among Pan American na-

tions is predicated on mutual respect for the individual character and culture of each people. Pan American Day commemorates this high mutual regard and salutes the great progress that has been made within the OAS framework.

On this Pan American Day of 1983, the people of the United States extend warm greetings to their neighbors in the Americas, and reaffirm their commitment to the spirit of solidarity, the ideals and purposes of the inter-American system, and their active support of the Organization of American States.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim Thursday, April 14, 1983, as Pan American Day, and the week beginning April 10, 1983, as Pan American Week; and I urge the Governors of the fifty States, and the Governor of the Commonwealth of Puerto Rico, and the officials of the other areas under the flag of the United States of America, to honor these observances with appropriate activities and ceremonies.

In Witness Whereof, I have hereunto set my hand this 4th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:50 a.m., April 5, 1983]

Proclamation 5041—Prayer for Peace, Memorial Day, 1983

April 4, 1983

*By the President of the United States
of America*

A Proclamation

Each year, for more than 100 years, we

have gathered on Memorial Day to pay tribute to those men and women who have fallen in battle, sacrificing their lives to preserve our freedom and world peace. In doing this, we are reminded that neither

peace nor liberty is guaranteed, and that our national ideals remain threatened by global conflict, economic crises, violence, and aggression.

Throughout our history, America has been a symbol of hope for all people. We must always accept the many responsibilities that this requires. Thus, we are prepared to assist other nations in their struggle for economic progress; to help those in other lands who suffer from political repression and injustice; to deter aggression by strengthening democracy around the globe; and to work tirelessly toward a world without war.

Those who have sacrificed their lives for our country serve as a reminder that our work is unfinished. With vision and purpose and a prayer in our hearts, let us dedicate ourselves to their memory.

In recognition of those Americans to whom we pay tribute today, the Congress, by joint resolution of May 11, 1950 (64 Stat. 158), has requested the President to issue a proclamation calling upon the people of the United States to observe each Memorial Day as a day of prayer for permanent peace and designating a period on that day when the people of the United States might unite in prayer.

Now, Therefore, I, Ronald Reagan, Presi-

dent of the United States of America, do hereby designate Memorial Day, Monday, May 30, 1983, as a day of prayer for permanent peace, and I designate the hour beginning in each locality at 11 o'clock in the morning of that day as a time to unite in prayer. I urge the press, radio, television, and all other information media to cooperate in this observance.

I also request the Governors of the United States and the Commonwealth of Puerto Rico and the appropriate officials of all local units of government to direct that the flag be flown at half-staff during this Memorial Day on all buildings, grounds, and naval vessels throughout the United States and in all areas under its jurisdiction and control, and I request the people of the United States to display the flag at half-staff from their homes for the customary forenoon period.

In Witness Whereof, I have hereunto set my hand this 4th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:51 a.m., April 5, 1983]

Letter to the Speaker of the House and the President of the Senate Transmitting Proposed Legislation To Extend the Export Administration Act April 4, 1983

Dear Mr. Speaker: (Dear Mr. President:)

I herewith transmit for the consideration of the Congress proposed legislation "To amend and reauthorize the Export Administration Act of 1979," together with a section-by-section analysis and supporting justification.

The Export Administration Act provides authority to the President to control exports

for reasons of national security, foreign policy, and short supply, and to oppose foreign boycotts. The amendments that we are proposing to this Act provide a balance between strengthening our efforts to protect our national security and foreign policy interests and our efforts to ensure that the business community is not unreasonably constrained in its operations by export con-

trols. In addition, these amendments are intended to improve the administration of the provisions of the Export Administration Act through the reduction of controls where appropriate and through the enhancement of the violation sections of the Act.

I consider enactment of this legislation of great importance to the legislative and budgetary program of this Administration. I

would appreciate your efforts in seeing that it is enacted.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.

Executive Order 12414—Establishment of Emergency Board No. 201 To Investigate a Railroad Labor Dispute April 4, 1983

Establishing an Emergency Board To Investigate a Dispute Between The Long Island Rail Road and Certain Labor Organizations

A dispute exists between The Long Island Rail Road and certain labor organizations, designated on the list attached hereto and made a part hereof, representing employees of The Long Island Rail Road.

The dispute has not heretofore been adjusted under the provisions of the Railway Labor Act, as amended ("the Act").

The New York Metropolitan Transportation Authority, the parent body of The Long Island Rail Road, has requested that the President establish an emergency board pursuant to Section 9A of the Act.

Section 9A(e) of the Act provides that the President, upon request of a party, shall appoint an emergency board to investigate and report on the dispute.

Now, Therefore, by the authority vested in me by Section 9A of the Act, as amended (45 U.S.C. § 159a), it is hereby ordered as follows:

Section 1. Establishment of Board. There is established, effective immediately, a board of three members to be appointed by the President to investigate this dispute. No member shall be pecuniarily or otherwise interested in any organization of railroad employees or any carrier.

Sec. 2. Report. Within 30 days after creation of the board the parties to the dispute shall submit to the board final offers for settlement of the dispute. Within 30 days after the submission of final offers the board

shall submit a report to the President setting forth its selection of the most reasonable offer.

Sec. 3. Maintaining Conditions. As provided by Section 9A(h) of the Act, as amended, from the time a request to establish a board is made until 60 days after the board makes its report, no change, except by agreement, shall be made by the parties in the conditions out of which the dispute arose.

Sec. 4. Expiration. The Emergency Board shall terminate upon submission of the report provided for in Sec. 2 of this Order.

RONALD REAGAN

The White House,
April 4, 1983.

Labor Organizations

ARASA Division, Brotherhood of Railway and Airline Clerks
Brotherhood of Locomotive Engineers
Brotherhood of Railway Carmen of the United States and Canada
International Association of Machinists and Aerospace Workers
International Brotherhood of Electrical Workers
Police Benevolent Association
Railroad Yardmasters of America
Sheet Metal Workers International Association
United Transportation Union

[Filed with the Office of the Federal Register, 10:52 a.m., April 5, 1983]

Announcement of the Establishment of Emergency Board No. 201 To Investigate a Railroad Labor Dispute

April 4, 1983

The President announced today the creation of Presidential Emergency Board No. 201 to investigate and make recommendations for settlement of a current dispute between the Long Island Rail Road (LIRR) and employees represented by nine labor organizations.

The President, by Executive order, created the Emergency Board at the request of the New York Metropolitan Transportation Authority, parent body of the LIRR. The Long Island Rail Road is the largest commuter railroad in the United States, transporting 283,000 passengers each week day over a 330-mile system extending from Manhattan to the end of Long Island. In addition, LIRR provides the only rail freight service on Long Island and connects with the Nation's rail system through New York City. A strike on the Long Island Rail Road would have a severe impact on the economy of the New York metropolitan area, disrupting commuter travel and trucking, and leading to increased consumption of gasoline.

On November 16, 1982, the President invoked the emergency board procedures of the Railway Labor Act applicable to commuter railroads and created Emergency Board No. 199. That dispute involved the LIRR and 14 labor organizations. Emergency Board No. 199 investigated the issues in dispute and prepared a report and recom-

mendations for settlement of the disputes. The Board's report was submitted to the President on January 4, 1983.

Prior to the creation of Emergency Board No. 199, LIRR had already reached agreement with two organizations, the Brotherhood of Railway, Airline and Steamship Clerks, and the International Brotherhood of Teamsters. In addition, subsequent to the release of the Board's report, three other unions, the Brotherhood of Railroad Signalmen, the International Brotherhood of Boilermakers and Blacksmiths, and the International Brotherhood of Firemen and Oilers ratified agreements with the MTA.

Following the release of the report and recommendations by Emergency Board No. 199, the parties unsuccessfully continued their attempts to resolve their differences. The statutory period allotted for this process expires on April 5. Section 9A of the Railway Labor Act provides that either party to the dispute may require the establishment of a second Emergency Board if the dispute is unresolved, and MTA made such a request. The parties will now submit their final offers to Emergency Board No. 201 within 30 days, and the Board will report its selection of the most reasonable offer within 30 days thereafter. During this 60-day period, and for 60 days after the submission of the report, the parties must maintain the status quo and refrain from engaging in self-help.

Nomination of James H. Burnley IV To Be General Counsel of the Department of Transportation

April 5, 1983

The President today announced his intention to nominate James H. Burnley IV to be General Counsel of the Department of Transportation. He would succeed John M. Fowler.

Since 1982 Mr. Burnley has been serving

as Associate Deputy Attorney General at the Department of Justice. Previously he was Director of VISTA in 1981-1982; partner in the law firm of Turner, Enochs, Foster, Sparrow & Burnley in Greensboro, N.C. (1975-1981); and associate in the firm

of Brooks, Pierce, McLendon, Humphrey & Leonard in Greensboro (1973–1975).

He served on the commercial panel of arbitrators for the American Arbitration Association and was a member of the committee on administrative law of the North

Carolina Bar Association.

Mr. Burnley graduated from Yale University (B.A., 1970) and Harvard Law School (J.D., 1973). He is married, has one child, and resides in Falls Church, Va. He was born July 30, 1948, in Greensboro, N.C.

Nomination of E. Pendleton James To Be a Member of the Board of Directors of the Communications Satellite Corporation

April 5, 1983

The President today announced his intention to nominate E. Pendleton James to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1986.

Mr. James is president of Pendleton James & Associates in New York City. He served as Assistant to the President for Presidential Personnel, the White House, from January 1981 to August 1982. Prior to that, he was director of the office of Presidential personnel for the office of the President-elect in November 1980-January 1981.

From 1976 to 1981, Mr. James was president and owner of Pen James & Associates,

Inc., an executive search firm headquartered in Los Angeles, Calif. Previously he was president—western operations for the New York-based executive search firm of Russell Reynolds Associates; Deputy Special Assistant to the President, the White House, in 1971–1973; with the executive search firm of Heidrick and Struggles, Los Angeles, Calif.; and personnel manager at the Aerojet-General Corp. in Sacramento, Calif.

He graduated from the University of the Pacific in Stockton (B.A., 1954) and did graduate work at the University of California at Berkeley and the University of Santa Clara. He is married, has two children, and resides in New York City.

Executive Order 12415—Extension of the Presidential Commission on Drunk Driving

April 5, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to ensure the continuation of efforts to assist the States in the fight against drunk driving, it is hereby ordered that Section 4(b) of Executive Order No. 12358, as amended, is amended to read as follows: “The Commis-

sion shall terminate on December 31, 1983.”

RONALD REAGAN

The White House,
April 5, 1983.

[Filed with the Office of the Federal Register, 10:43 a.m., April 6, 1983]

Statement on the Presidential Commission on Drunk Driving *April 5, 1983*

One year ago I appointed a public commission with a 12-month mandate to combat the drunk driving problem in our country. That Commission, chaired by former Secretary of Transportation John Volpe, and with broad private sector support, has performed a valuable and highly effective public service in promoting greater highway safety.

In its interim report the Commission has proposed a three-pronged approach to the problem of drunk driving, consisting of improved educational, legislative, and enforcement programs. Many of these efforts are already underway. For example, more than 500 separate pieces of legislation dealing with the drunk driving problem have been introduced in State legislatures in the 1983 sessions. Thirty-eight laws were actually enacted during the 1982 legislative sessions and, if we remember the resistance such laws encountered in the past, that's a remarkable record.

To date, three States have raised the legal drinking age. Because of the correlation between the number of drunk driving fatalities and liberal drinking-age laws, the Commission has recommended that every State set 21 as the minimum legal age for drinking alcoholic beverages. Since the Commission was established, 18 Governors have created task forces to examine their States' drunk driving problems. This brings the total to 39. I commend all those who have established a task force and encourage the others to do so as soon as possible.

The results of our collective efforts to date have been highly encouraging. California, for example, reported a 12-percent drop in highway fatalities during 1982, to the lowest level in 6 years. The commission-

er of California's Highway Patrol attributes that very encouraging reduction in death and injuries to the tougher drunk driving laws that went into effect in January 1982. Minnesota, a State which has long been a leader in innovative programs to combat drunk driving, reports a 30-percent decrease in alcohol-related fatalities since 1981.

Other States are reporting similar reductions in highway tragedies as a result of the crackdown on drunk drivers. And according to the National Safety Council, traffic fatalities during the 1982-83 Christmas-New Year holiday season were the lowest since 1953.

The members of the Commission, responding to the outcry of individual citizens and private organizations concerned by the heavy toll drunk driving takes on our society, have worked zealously with State and local governments to reduce drunk driving. To maintain the momentum that has been established and to continue the excellent work that is underway, I have signed an Executive order extending the term of the Presidential Commission on Drunk Driving to December 31, 1983.

We have not yet cured the problem of drunk driving completely, but, together, we have developed and prescribed effective legislative medicine. In true American fashion, we have heard and heeded the pleas of families demanding greater protection from the drunk driver and surer justice for his crimes. Through a concerted national effort, the threat of the alcohol-impaired driver on our highways is shrinking, and with our full and continued support, more of those who travel America's roadways will enjoy safer and longer lives.

Message to the Senate Returning Without Approval the Mashantucket Pequot Indian Claims Settlement Bill *April 5, 1983*

To the Senate:

I am returning, without my approval, S. 366, the "Mashantucket Pequot Indian Claims Settlement Act."

This bill would settle claims of the Mashantucket Band of the Western Pequot Indian Tribe to approximately 800 acres of land in the town of Ledyard, Connecticut. In settling the claims, the legislation would generally: (1) extinguish any aboriginal title and any tribal claims for damages or possession of the land and natural resources; (2) establish a \$900,000 Federal claims settlement fund to compensate the Indians for extinguishment of the claims; and (3) extend Federal recognition, with all attendant benefits and services, to the Western Pequot Indian Tribe.

The claim that would be settled by this bill is not against the Federal Government, but against the State of Connecticut, which sold the Indian land, and against the present owners of the lands concerned. However, the costs of the settlement provided in this bill would be borne almost entirely by the Federal Government.

Given the concerted effort that has already been made to develop a mutually satisfactory settlement for the Western Pequot's land claims, I agree that the most desirable approach to resolution and extinguishment of these claims is through agreements negotiated among the parties concerned and ultimately ratified by the Federal Government. However, this process must recognize certain principles if equity and fairness to all parties are to be achieved. Unfortunately, I find S. 366 violates several of these principles.

First, even if Federal participation in this settlement is warranted, sufficient information does not exist to determine the validity of the claim or the appropriateness of the proposed \$900,000 settlement. This settlement is not based on the formula for Eastern Indian land claims settlements supported by my Administration. The Administration formula is based on the difference be-

tween land value and compensation received at the time of the land transfer (in this case 1855), plus interest. If the type of valuation for land claims settlements contemplated by this bill were applied across the board to all potential claims of this nature, it could require payment by the taxpayers of billions of dollars.

Second, S. 366 provides for an unacceptably low level of State contribution to the settlement—only 20 acres of State land with an estimated value of about \$50,000. The Administration has urged that an affected State should pay for at least one-half of settlement costs in claims such as this, which are not against the Federal Government but against the State and private parties who would be the primary beneficiaries of any settlement.

Finally, the Tribe may not meet the standard requirements for Federal recognition or services that are required of other tribes. The Federal Government has never entered into treaties with this Tribe, and the Bureau of Indian Affairs has never provided services to them or exercised jurisdiction over any Indian lands in Connecticut. The government-to-government relationship between the Western Pequot Tribe and the Federal Government that would be established by this bill is not warranted at this time, pending further study by Interior. Extending Federal recognition to the Tribe would bypass the Department of the Interior's administrative procedures that apply a consistent set of eligibility standards in determining whether or not Federal recognition should be extended to Indian groups.

I am convinced that a satisfactory resolution of the Western Pequot's land claims can be achieved. However, this will require (1) verification of the claim, including the amount of any monetary settlement based on the formula I have outlined above, (2) completion by Interior of its administrative procedure for determining whether or not Federal recognition of the Tribe is appropriate, and (3) payment by the State of Con-

necicut of at least one-half of any settlement costs.

I am directing the Secretary of the Interior to enter negotiations with the parties at interest in this case to determine an acceptable settlement, consistent with the Admin-

istration's principles, and report his recommendations to me and to the Congress.

RONALD REAGAN

The White House,
April 5, 1983.

Statement by Deputy Press Secretary Speakes on the Fiscal Year 1984 Budget

April 5, 1983

The President and Republican members of the Senate Budget Committee had a good give-and-take discussion this afternoon that lasted approximately an hour and a half.

The President emphasized on several occasions how important it is to enact a budget that not only encourages economic recovery but also meets the Nation's basic security needs.

With regard to defense spending, the President said that it might be possible to find additional savings as a result of lower inflation and lower fuel costs. He also said he expects to receive a report from the Scrowcroft commission in the next few days and that there may be additional savings to be found as a result of its recommendations. The total savings that might thus be ob-

tained on defense was not specifically discussed.

After the President spoke, all of the members of the committee who were present, as well as Senator Baker, had an opportunity to express their views. Secretaries Weinberger and Shultz also spoke.

At the conclusion of the meeting, Senator Domenici informed the President that he did not think he then had the votes to pass the President's full defense request, but said he wanted to continue consultations with all parties.

Tomorrow morning, the President will meet with Senators Domenici and Lawton Chiles, ranking minority member, of the Senate Budget Committee prior to the President's departure for Pittsburgh. The budget committee plans to begin its markup later in the day.

Appointment of the Membership of Emergency Board No. 201 To Investigate a Railroad Labor Dispute

April 6, 1983

The President today appointed the members of Emergency Board No. 201, created by Executive Order No. 12414 of April 4, 1983, to investigate a dispute between the Long Island Railroad and certain labor organizations.

Frederick R. Livingston will serve as Chairman. He is an attorney in New York City specializing in labor relations. He is also chairman of

the board of the American Arbitration Association. He is married and has one child.

Thomas G. S. Christensen is a professor of law at New York University School of Law. He is married and has six children.

Arthur Stark is a full-time arbitrator in New York, and in 1980 he served on Emergency Board No. 193. He is married and has four children.

Remarks and a Question-and-Answer Session With Students of the Control Data Institute in Pittsburgh, Pennsylvania April 6, 1983

The President. Thank you. I know this will kind of date me a little bit, but I want to tell you that having taken this tour and seen all that's going on up here, I don't know a single thing about anything I've seen. [Laughter] But I'm pleased to be with you on this, to get a feel for this training project. I know a little about it already, but I think we can all be—about the project, not—[laughter]—but I think we can all be grateful to Control Data's chairman, Bill Norris; Gilfrey Glazer. They worked very closely with Governor Thornburgh putting this program together.

I'm not sure how many of you are aware that Bill Norris was a member of my Private Sector Initiatives Task Force, so when I heard about this effort I figured I'd better stop by and see for myself.

I'm deeply aware of the heartache and the pressure many of you have experienced in the last few years. Economists tell us that our country is going through a basic technological transition, and that, along with the stagnation of recent years, has created a large-scale unemployment problem. Now, it's not easy on you or your families, but the commitment you've made by being part of this program represents all the difference in your lives and, I might add, in a better economic future for our country.

The future certainly would be bleak if our response to technological advances was fear and negativism. Undeniably, change is an unavoidable disruption and a major challenge to a society, just as it is to individuals. But we as a people have never balked at change. And that's why the United States has always been on the cutting edge of progress and why our standard of living is the envy of the world. And don't let the pessimists tell you anything else. The future will be ours as well, just so long as we're willing to work for it.

This is not the first time we've had to cope with major technological changes. If I may draw from personal experience—and I know this really does date me—I lived as a

boy, a very young boy, in a small Midwestern town and saw a livery stable become the town garage—from horses to horsepower. And in the years that followed, later on I saw silent movies begin to kill off vaudeville, which was pretty standard in almost every community in America. But with sound pictures, those vaudevillians found a home and jobs in Hollywood or in radio, which was a brand new industry. Out of nowhere, it became a major industry almost overnight. Most, undaunted by the changing times, did well. Some who didn't make it in front of the camera, when they got their jobs in Hollywood, became directors and developed into members of the other facets of the entertainment business.

Although it seemed unbearable at the moment, when all the dust settled, it was the best thing that ever happened to many of those individuals. That's just one, small example. But we've seen successful transitions in American history, beginning with this country going from a tiny, coastal trading and plantation economy to a transcontinental industrial giant, unequaled by any other single nation.

I'm not minimizing the situation. I started job hunting in 1932, at the very bottom of the Great Depression. Being unemployed for any reason is one of the most painful experiences, I think, that anyone can have. And believe me, we're doing everything we can to offer legitimate retraining programs like this one to cope with those, like yourselves, who are victims of structural unemployment.

Of course, even if you get the right training, business has to be strong enough and the general economy healthy enough to provide jobs for those willing and able to work. President Teddy Roosevelt put it well. He said, "It either is or ought to be evident to everyone that business has to prosper before anybody can get any benefit from it."

I don't have to tell you how damaging the economic uncertainty of the last few

years has been. The inflation and the high taxes of the last decade redirected our resources into nonproductive tax shelters and inflation hedges, instead of savings, investment in new machinery and equipment. This put our entire economy behind the eight ball, especially capital-intensive businesses.

Setting this right, putting our economic house in order, has been the top priority of this administration. But we're getting the job done. The economy is coming around, and I'm confident there's a brighter future ahead. That's especially true for those of you who've taken this opportunity to upgrade your skills.

Now, maybe we can have some dialog. Now I want to hear from you, and I want to know if you're optimistic about the future and about the future of our country. You know, they say I'm too much of a Pollyanna, that I'm overconfident about these things. But I'm convinced that America's best years and yours still lie ahead. So, with that done, let's get to the questions.

Q. Okay, Mr. President, my name is Ray Raeff. I've spent 4½ years training for a trade and craft to develop a broader base of employment skills. Now I find myself retraining to develop my skills further. Presenting the concept of retraining is great, but without a long-term commitment from industry and government to make my training worthwhile, am I wasting my time here, or will there be a market for my job skills when I'm done?

The President. I'm confident there will be. And a little later, when I have to make a talk at a council that is gathered together of local and State leaders from around the country, from business and industry leaders, labor and all, at that council, I'm going to mention a few ads, help wanted ads that I have found in your newspaper here in Pittsburgh. And these ads—I don't even understand the ads, I'll have to read them. But they're typical. When you stop to think of the scores of pages of help-wanted ads that usually appear in the Sunday paper, the weekend paper, in a time when there are 11 million people unemployed, but when you look at the ads, you can understand that this doesn't mean that there are people not looking for jobs. It means there are em-

ployers now in new businesses and industries looking for workers, and they don't have the talent. And many of those jobs have to do with the very things that you're learning here.

Yes, I am optimistic that you'll find the job.

Q. Thank you.

Q. My name is Albert Kapella and, Mr. President, what incentive do you propose for American industries to keep American jobs and services here in America? In other words, what will happen to the phrase, "Made in America" when the governments themselves purchase foreign computers?

The President. It's true the government has some foreign computers, but this is because—two factors that figure into this. One of them is that our government procurement is based on competitive bidding, and under the—what's called GATT—this is the general tariff and trade treaties that we have with our trading partners—we assure them that they will be allowed to compete in competitive bidding with our own domestic companies but, in return, our companies enjoy the same privileges in their countries. In other words, it's an example of free and open trade.

And we are continuing in our negotiations. And in Williamsburg, Virginia, in May, in our summit meeting, economic meeting with our trading allies and friends, we're doing everything we can to break down those evidences of protectionism that have sprung up—and everyone's a little guilty of that—to keep not only trade free but fair. If we're to have that two-way street—and remember, this country probably exports and sells abroad more than most of those countries or all of them put together, so it is a two-way street. And it is just in that competitive bidding that they have won the right to sell something.

Q. Thank you.

Q. Mr. President, my name is Robert Pitkins. American industry is in a depressed state because of the open door trade policy. Even though we're being retrained in a high-tech field, what guarantee can you give us that these jobs won't be exported, too, and I'll have to be retrained in another 10 years?

The President. Well, we're doing everything we can to make sure that won't happen. We don't want to export jobs and, of course, I did just speak about the advantages that I think exist in free trade and fair trade. And we're continuing to work on that. And we've made great progress with our friends and allies in that field.

The other thing that we're doing—and we've worked very hard at, and against great opposition from many areas—and that is tax breaks for business, removing onerous taxes that were making it—because you know business doesn't pay a tax, business collects a tax for government. But if you make business collect too much tax in the price of the product, because the people end up paying the tax, then you make them noncompetitive. And this has happened to us over the years in a great many market areas.

So, we're trying to correct that at the same time that we're trying to take off the back of business a horde of unbelievable and unnecessary regulations that bureaucracy over the years in government has spawned. I believe in an old rule that "if it ain't broke, don't fix it." And government's been trying to fix things too long that weren't broke.

And so I think with those—plus, I have signed legislation recently, that has come to me, that has created a place for market export companies to increase the ability of smaller businesses and industries that never thought they could get into the export business, to make it possible for all of business in America to get into the export market.

All of these things—it's going to take all of them, there is no single, simple magic answer. It's going to take all of these things, but I think all of them are having an effect.

Q. Mr. President, due to the time constraints, you'll have time for one more question.

The President. Well, since there's 200 people, can I take two. I know that you—All right. I'll try to make the answers shorter.

Q. Mr. President, my name is John Belmonte, and my question is, even though the United States is moving into a high technology era, why is our industrial community being forced into such a rapid transition?

And won't our country's defensive capabilities be compromised by this administration's failure to aid heavy industry?

The President. No. I think I understand, and let me make it specific. The idea that this transition could mean that the smoke-stack industries disappear in America—there's no way that a country like ours, for example, could say, "Well, we'll no longer be in the steel industry." That's just not going to happen. We're not going to let it happen.

There will be transitions. There are businesses that disappear and others that come up. And we haven't been standing by doing nothing. We have had over a hundred meetings of our Trade Representative, our Department of Commerce, with our trading partners in the world on that one single industry of steel. We've resolved some 44 complaints already. We have others that are pending and under discussion. The Japanese last year reduced their export of steel to the United States by 34 percent. The European Community has reduced theirs, and we have treated with them on the dumping thing, of them selling a subsidized product here in competition with our unsubsidized.

But all of these things that we're doing—and I think there is sign of improvement. And I know that it's going to take a while, and I know it's hard to be patient for those who have been laid off. But I could tell you that the production capacity of steel about a year ago—well, in fact, last May, not quite a year ago—was down to around 48.3 percent. It is now up to better than 58 percent. That isn't as much—that isn't to the break-even point yet, but we know that it's going to get there.

But no, there's nothing in our book that says we're going to let the heavy industry of America disappear. Be changes, yes, alterations. But one of the things that government taxing policies and government regulations, excessive regulations, did to these heavy industries—and did to steel, particularly—was make it impossible for them to modernize and keep pace with some of the foreign building which did take advantage of modern technology and built more modern plants than we have. And we were trying to compete with, I think, the best

workers in the world, but we weren't giving them the proper tools.

Now, with our taxing policies and all, we're trying to make it so that the capital will be there for us to invest, modernize our equipment and our plants.

Q. Thank you, Mr. President.

Q. Good afternoon, Mr. President. My name is John Schmidt. Sir, with all the Federal and State money being spent in plans for retraining programs, will there be any funds available to provide ourselves and our families with medical protection? The majority of us will shortly, or have already, exhausted our unemployment benefits and medical benefits. How are we to provide for our families without some type of financial aid while we strive to successfully complete this retraining program?

The President. We are looking at several things that have been suggested. In fact, some of us here were talking about this before we got here. There are several alternatives. Some have suggested—not anyone present here—some have suggested creating a medical program that would be in the form of a new entitlement program. I think this would be self-defeating. First of all, you wouldn't get such a program into action in time to be of help in the immediate future. Second, you would have created a costly medical program and, believe it or not, government-paid medicine is the most expensive medicine in our country today.

But we are looking at things, at a short-term, a bridge, bridge programs that can be used. Also, several States already have taken it upon themselves to resolve this problem, and we're looking at that and where the Federal Government can cooperate on that.

Also, there has been a movement on the part of the private sector—doctors and hospitals—to get together and provide medical care for the unemployed. Now, there's a limit to how much or how far they can go without help, and we're going to look at that for where we can cooperate with them in that. But we're certainly not going to stand by and see that people, because of the misfortune of unemployment, are going to be denied necessary medical care. So, we will find an answer to that. You bet.

Well, I'm sorry that I can't take any more. I should tear about three of those

note pages from my speech up so that I could have more questions.

But I just want to say, this is such an example of hope and effort and self-help, and I want to congratulate all of you and tell you that I don't know of any problem that is more on our minds than this problem of the involuntarily unemployed in our country today.

And personally, as I mentioned earlier, a personal experience, I don't know of anything that is more traumatic where I'm concerned because, as I say, I grew up in the depths of the Great Depression. I saw my father get his notice that he was without a job on Christmas Eve. And I'm not going to rest until we have an economy, and I think this is what we're striving for and what we're succeeding in.

We've had recessions before, seven of them before this one since World War II. And the government has always turned to the kind of quick-fix, artificial stimulant, flood the money supply. And up has gone inflation, and about 2 years later, we have a recession that's worse and more unemployment than we had the previous time.

This time, we're trying to do it for real, a real recovery that will put American industry back to work, put the people that are unemployed back into the jobs that they want and need, and have a recovery that won't, just 2 years from now, result in another recession. That's our goal, and we're doing our darndest to bring it about.

Thank you all very much.

Note: The President spoke at 12:28 p.m. in a classroom at the institute, where he viewed computer terminals and training equipment.

The institute is located at the Alleghany Center, which is owned by Guilford Glazer, to whom the President referred at the beginning of his remarks.

The State of Pennsylvania contracted with the corporation to train 120 unemployed workers in Pittsburgh in computer installation, maintenance, and repair. Before completion of the 8-month training program, students were taught job search skills and efforts were made to place the graduates in entry-level positions in the data processing market.

Remarks at the National Conference on the Dislocated Worker in Pittsburgh, Pennsylvania

April 6, 1983

Well, I thank you, Governor Thornburgh. Senators and Representatives, the distinguished guests here at the head table, our Secretary of Labor, and you ladies and gentlemen, I thank you all for a very warm welcome. And I want to thank the National Alliance of Business for inviting me to this important conference on the dislocated worker. I come not only as a speaker but as a possible victim. *[Laughter]* I know this is a bipartisan gathering, but—*[laughter]*—I assume there are a number of Democrats who would just love to dislocate me. *[Laughter]*

But it's nice to be in the hometown of two very fine teams—the Pirates and the Steelers—and not to mention, the hometown of Governor Thornburgh and Senator Heinz.

But I came here today to talk to you about our unemployed citizens. First, I want to say how instrumental you are to this effort of helping displaced workers find jobs. You—the business leaders, union officials, agency heads, educators, and members of various councils—are great resources, and I'm so glad to see you joining together to exchange ideas. You can help those frustrated steelworkers, some of whom are across the street venting their confusion and anger as we meet. And it's no wonder they're confused. The economy is getting better, but they don't see their prospects improving.

You might have noticed that I always seem to attract attention when I pull out the want ads and talk about unemployment. I'm usually criticized and very often misunderstood or, perhaps I should say misinterpreted. I don't use the help wanted ads to suggest people are not seriously looking for work. My purpose is to point out that in this time of great unemployment, there are jobs going unfilled for a very definite reason. A couple of Sundays ago I read through the help wanted ads in the Pittsburgh Press, and it's obvious why so many unemployed are frustrated when they see jobs are avail-

able. Like this ad that's for something called a medical records coder: "Position requires an A-R-T or equivalent experience and knowledge of medical terminology and ICD-9-CM coding." *[Laughter]* Or this one that seeks "an achiever in the structured COBOL and/or RPG II."

But this one from a personnel agency dealing only with computer people illustrates perfectly the point I want to make, so I'll read you the entire ad: "Systems Programmer—Large Scale IBM, VTAM, TSO/SPF, ACFII, CICS, OS/MVS." The point is that we're in a new age. *[Laughter]* No longer do the ads simply offer jobs with good hours and no heavy lifting. *[Laughter]* You have to be a specialist to know what the ad is even about. *[Laughter]*

Yes, there are lots of jobs in this paper and in papers all across the country. But the skills needed for the jobs don't always match the skills of those who need the work. The permanently laid-off steelworker has never had the training even to understand what these want ads mean, let alone to apply for the position. And I can tell you right now, I don't know what they mean.

And many of the jobs are not around here but in Florida or Virginia or beyond. I could have brought more newspapers with more ads, but they're in areas far from the homes of Pennsylvania's unemployed. And it's this mismatching of skills and geography that has brought all of you together.

Let me tell you how we intend to deal with this "structural unemployment," as you experts call it. But first, I'd like to say a few words about cyclical unemployment, which seems to get most of the media attention.

As you know, cyclical unemployment results from changes in the business cycle, the ups and downs of the overall economy. About half of our current unemployment is the direct result of the recession. Now, the best cure for this is to get the economy moving, and we're doing just that.

The leading economic indicators, and you

probably know, are positive, and I can tell you, so am I. January's surge was the largest in 33 years. The indicators are up for February as well. The double-digit inflation of 1980 has been knocked down to 0.4 percent in the last 6 months, the lowest 6-month rate in nearly 22 years. And the prime interest rate, which was 21½ percent when we took office, is down to 10½ percent today, and we're not finished with it yet.

Housing starts and permits are at the highest level since September of 1979. Unemployment, while still painfully high, has decreased to 10.3 percent from a 10.8-percent peak in December. And if you count our men and women in uniform as employed, and they should be, the rate is 10.1 percent. I just found out recently that we haven't been counting them, but when they leave the service, we count them as unemployed. So, there's 2 million of them or so that are in uniform, and most of them seem to like their jobs very well.

But with the help of Senators Heinz and Specter and Congressmen Clinger and Ridge here, we've tried to ease the transition for some of the unemployed with a \$4.6 billion jobs and humanitarian relief package. This legislation will increase job opportunities by speeding up public works and construction projects that were already on the books but were scheduled for later implementation. And it also provides extra funds for social service and health assistance. But, to be honest, this aid will help only to a limited extent. An improving economy is the quickest, best, and most potent antidote for those citizens who were laid off because of the recession.

We've fought hard for this recovery, and we're not going to see it shattered. The so-called alternative budget recently passed by the House of Representatives, on the other hand, calls for a \$315 billion tax increase over the next 5 years and an almost \$200 billion increase in domestic spending. It provides for recovery all right—the Congress' recovery of money that belongs to America's wage earners and taxpayers. It's a reversion to politics as usual, taxing and spending more and more of your money. It would cancel both the third year of the tax cut and indexing, which protects the wage earner from being kicked into higher and

higher tax brackets. And more than three-fourths of the tax relief and indexing will go to lower and middle-income earners. To those who would consider changing those tax laws, I'm sleeping with a pen under my pillow, ready for veto.

I have two direct and moral questions for every Congressman who voted for this alternative budget. How can you justify hitting the median American family with a \$3,550 tax increase over the next 5 years? And how can you support a budget that would threaten the recovery just as it's getting underway? I've never seen a budget proposal with a more flagrant disregard for its consequences. And those consequences would be more unemployed Americans, higher interest rates, more government spending, and a recession worse than the one we're just emerging from. The American people have suffered long enough because of the economic mistakes of the past, and I'm not about to let them be plunged into that same mess again.

There's been a lot of talk on Capitol Hill about multibillion dollar make-work programs as an answer to recession. Those responsible for the alternative budget support this idea. It's not a cost-effective idea, and it certainly is no road to permanent economic recovery.

Now, structural employment is not the result of temporary slumps in the economy, as we've just been discussing. It's caused by deep and lasting changes in science, technology, competitiveness, and skills. And you just can't cure that with a quick-fix solution.

When I signed the Job Training Partnership Act last October, I pledged it wouldn't be another bureaucratic boondoggle but would provide real help. And I stand by that promise. Our aim is to train up to a million unemployed Americans each year in skills useful in the private sector. And to that end, we're requesting over \$3½ billion for this program in 1984.

The vital difference between this program and the failed ones of the past is that this time, private employers will take the lead, not the Federal Government. Private employers will work with State and local officials to ensure positive results.

Too often in the past, the bulk of funds

set aside for government job training programs was used to pay bureaucrats rather than to help those without jobs. In recent years under CETA, only 18 percent of the money was actually used for training the unskilled. No one knows better than private employers the skills and training needed by today's employees, and that's where we're putting our emphasis and our efforts.

Recently we sent to the Congress a package of new proposals providing incentives for businesses to hire the long-term unemployed. Under our proposal, a worker who's been unemployed for an extended period could convert his unemployment benefits into job vouchers which would entitle his new employer to a tax credit. The overwhelming majority of those who've been unemployed for long periods would gladly trade their benefits for a job, if they could only find one. Well, this voucher gives them a better chance to do just that.

We also want to more than double the money for that part of the Job Training Partnership Act that helps displaced workers. This program offers grants to the States for retraining, job search, and relocation assistance to dislocated workers. And we also propose allowing States to use up to 2 percent of their unemployment insurance tax revenues for reemployment assistance. Now, this could mean another several hundred million dollars.

The old cliché that you can't get a job until you have experience and you can't get experience until you have a job really is true for too many of our young people, especially minorities. One of the main reasons many teenagers have difficulty finding jobs, especially their first job, is the current minimum wage. Employers simply can't afford to pay this set amount to kids with no work experience. So to help young people find jobs, we've proposed a youth opportunity wage 25 percent below the regular minimum of \$3.35. Young people, of course, don't have to accept this amount, and I know many of them will be able to command the regular minimum wage or more. But this new wage will allow those who don't have any experience to make a start in the workplace. What we're trying to do is get them in the door and give them some experience so they can move up the pay

scale. And since the special wage applies only in the summer, there's no danger of displacing current workers with young people at a lesser wage.

Also, working in partnership with the National Alliance of Business, we've been asking employers to set aside summer jobs for kids who really need them. In fact, companies can qualify for tax credits of up to 85 percent of the wages paid to each eligible youngster certified by the Job Service.

Any lasting solution to the problems that we've been discussing today must have the support of the private sector. And here, too, the news is encouraging. Let me tell you about one displaced workers program right here in Pennsylvania. In 1980 the Crucible Steel plant in Midland, Pennsylvania, started laying off hundreds of experienced workers. Soon after, the Crucible management and Local 1212 of the United Steelworkers union joined together to help the employees. With technical assistance from Federal, State, and local governments, they formed what they called a Job Search Club. The employees learned what jobs were a logical extension of their previous work experience. And then they learned how to write a resumé and interview for that job and, if need be, where to go for training. Although a relatively small group of 125 employees participated, the club worked. Many found new jobs in steel, as well as in other industries. The workers also acquired new confidence and skills that will enable them to get better jobs as the economy expands. Well, we want to duplicate the success of the Crucible Steel case across the country, and we're working with the NAB, the AFL-CIO, the Labor Department, and the private sector to do just that.

You know, I receive all kinds of letters from our unemployed citizens. Some are full of pain and a loss of self-respect. Some are determined and hopeful. Some are confused and angry. But I think the most perplexed are those letters from displaced workers. Most of these men and women have been in one industry, if not one company, for the better part of their working lives. The mill or the plant had always been open, perhaps even since their father's or their grandfather's day, and they assumed it

would always be that way. Their employers represented America's strength and vitality as an economic power. How could the major employer in the town, the very lifeblood of the town, close its gates and lock its doors? This was as inconceivable as the town itself closing down.

But we know the plant can close no matter how essential it is to the employees and the townspeople. We know that America's economic strengths change and grow in different directions, sometimes without regard to the people who serve the old industries. This is called the free market, and it's what gives our children and their children an economic future.

I believe that we as a nation owe an obligation as well as a helping hand to those who pay the price of economic readjustment. Government—Federal, State, and local—should provide support for job training and reemployment assistance. Business and labor, working in partnership, also have a responsibility to ease this transition and prepare their employees and members for the future. Educators, as well, are challenged to tailor their curriculums to the employment needs of the future. In one way or another, we all have a positive role to play.

I came here today to tell you I support your efforts wholeheartedly, and I'm trying

my hardest to make real changes in Washington that will help get our people back to work. As I've often said, we want real work for our citizens, not make-work. We want an economic future based on growth, not on fighting over smaller pieces of prosperity. I believe in what you're doing and, even more importantly, I know those that you've helped believe in it. Together, we can make America and the American dream the inspiration they were always meant to be.

I thank you for inviting me, letting me participate even in this little bit in your conference. And God bless you all.

Note: The President spoke at 1:32 p.m. in the International Ballroom at the Hilton Hotel following remarks and an introduction by Governor Richard L. Thornburgh.

The 2-day conference was sponsored by the National Alliance of Business and 12 other organizations and was attended by approximately 500 policymakers and leaders from private and public organizations with an interest in labor market transition efforts.

Prior to his participation in the conference, the President attended a Republican leadership reception at the hotel. Following his remarks at the conference, the President returned to Washington, D.C.

Letter to the Speaker of the House and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict *April 6, 1983*

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with Public Law 95-384, I am submitting the following report on progress made during the past sixty days toward reaching a negotiated settlement in Cyprus.

There was little progress in the intercommunal negotiations between the Greek Cypriots and the Turkish Cypriots during the period. The talks were delayed due to the presidential elections held by the Government of Cyprus in February. In those elections President Kyprianou was returned

to office for a second five-year term.

Following the elections the Special Representative of the UN Secretary General, Ambassador Hugo Gobbi, reconvened the talks on March 8. That meeting was described as cordial by the participants.

Following these discussions there was an additional recess for the meeting of the Nonaligned Movement in New Delhi. The UN General Assembly is likely to take up the Cyprus problem in late April or early May. After that meeting the talks can proceed to address the substantive issues sepa-

rating the two communities.

President Kyprianou and Turkish leader Denktash remain supportive of the intercommunal talks as the best vehicle for progress toward eventual solution of the Cyprus problem. Ambassador Gobbi is positive about the Secretary General's good offices role in the talks and will attempt to move the discussions forward as soon as possible.

Our Embassy in Nicosia as well as our officers in the State Department remain in close contact with both parties to the intercommunal talks and continue to urge efforts for progress. Visits to the island by our

diplomatic officers and by Congressmen emphasize the interest residing both in this Administration and in the Congress in seeing a fair and lasting settlement to the problem.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and Charles H. Percy, chairman of the Senate Foreign Relations Committee.

Message to the Congress Transmitting Proposed Civil Rights Commission Reauthorization Legislation

April 6, 1983

To the Congress of the United States:

I am transmitting herewith the "Civil Rights Commission Reauthorization Act of 1983".

We Americans have come to share a vision of the Nation we want to be: A Nation in which sex, race, religion, color, national origin, age, or condition of disability do not determine an individual's worth. We can be justly proud both of the progress we have made toward realizing that ideal—and of our recognition that progress remains to be made.

In my State of the Union Address on January 25 of this year, I emphasized the important role the Commission can play in assuring that we, as a Nation, keep our statutory commitments to fairness and equity for all Americans—and the necessity that the Commission not be allowed to expire, as current law provides, at the end of 1983. In recognition of these goals, the legislation I am transmitting would continue the Commission's important work through 2003.

The twenty-year extension I propose today would be the longest in the Commission's history. I believe we must assure the continuity of the Commission's mission, while preserving the original Congressional

intent that the Commission have a specified purpose and duration.

I am also proposing that future members of the Commission be appointed for specified terms, as is currently the case with the Equal Employment Opportunity Commission and similar agencies. This will assure that the Commission's membership is reviewed at specified intervals and provide for the introduction of new perspectives to the Commission's work.

Finally, I am proposing that the Commission's current authorities and procedures be continued intact. Since the Commission's founding, the existing statutory provisions have enabled the Commission to fulfill its unique function while avoiding duplication of activities performed by the EEOC, Department of Justice, and other line agencies.

I ask that this legislation be adopted quickly to avoid any uncertainty regarding the Commission's status and any resulting disruption in its important work.

RONALD REAGAN

The White House,
April 6, 1983.

Note: The White House press release contained a copy of the draft legislation.

Proclamation 5042—Mother's Day, 1983

April 6, 1983

*By the President of the United States
of America*

A Proclamation

Traditionally, this Nation honors its mothers by designating the second Sunday in May as Mother's Day.

To our mothers we owe our highest esteem, for it is from their gift of life that the flow of events begins that shapes our destiny. A mother's love, nurturing, and beliefs are among the strongest influences molding the development and character of our youngsters. As Henry Ward Beecher wrote, "What a mother sings to the cradle goes all the way down to the coffin."

Motherhood is both a great responsibility and one of the most rewarding and pleasurable experiences life has to offer. Mother's Day presents a special opportunity to appreciate our mothers—to consider all they have done, and all they continue to do, in fostering children's physical and emotional growth, nursing illness, encouraging success, easing failure, maintaining family life, supporting their spouses, contributing vitally to

the economy through their accomplishments at work, and serving their communities. The quality and scope of their activities, as well as their overriding concern for the well-being of their families and our country, inspires and strengthens us as individuals and as a Nation.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby request that Sunday, May 8, 1983, be observed as Mother's Day. I direct Government officials to display the flag of the United States on all Federal Government buildings, and I urge all citizens to display the flag at their homes and other suitable places on that day.

In Witness Whereof, I have hereunto set my hand this 6th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:34 a.m., April 7, 1983]

Appointment of Carlton E. Turner as Special Assistant to the President for Drug Abuse Policy

April 7, 1983

The President today appointed Carlton E. Turner as Special Assistant to the President for Drug Abuse Policy. Dr. Turner now serves as the Director of the White House Drug Abuse Policy Office in the Office of Policy Development.

Dr. Turner serves on the newly established Cabinet-level Executive Board of the National Narcotics Border Interdiction System. He also assists the First Lady in her drug abuse education projects. He came to the White House in July 1981 as the Senior Policy Adviser for Drug Policy. Prior to joining the administration, he was the director of the Research Institute of Pharmaceu-

tical Sciences, School of Pharmacy, University of Mississippi. He has served as a consultant for various government agencies and private firms in the United States, Mexico, and Canada, as well as for the United Nations.

Dr. Turner is the past president of the American Council on Marijuana's scientific advisory board and was the 1982 Harry G. Armstrong Lecturer at the Aerospace Medical Association's scientific meeting. He has published over 100 scientific papers, patents, and chapters in books, and is coauthor of "Marijuana, An Annotated Bibliography,"

volumes I and II. In addition to extensive drug research, Dr. Turner has been involved in the training of Federal, State, and local narcotics agents since 1971.

He graduated from the University of

Southern Mississippi (B.S., M.S., Ph. D.). He is married and has two daughters. He was born September 13, 1940, in Choctaw County, Ala.

Remarks to Members of the National Catholic Educational Association

April 7, 1983

Thank you very much. Thank you for a very warm welcome. It's a pleasure for me to break away from crisis negotiations. [Laughter] You're the first to know this. I've just called in Ambassador Phil Habib to settle the Jim Watt-Beach Boy controversy. [Laughter]

But I'm glad to see so many of you here. I recall that when I last spoke to you, just about a year ago at the meeting in Chicago, my advance people—on the other hand—call what I'm doing here today as a “drop-by.” [Laughter] Now, that means I don't have much time. [Laughter] So, let me get to the heart of what I know the National Catholic Educational Association is interested in—the education of our children.

Since time is short, I'll jump right to the educational package that our administration has put together. I believe it addresses the challenge of restoring opportunity to our children and excellence in our schools. And first—and our first piece of legislation—we need tuition tax credits.

Now, some educational lobbies have protested that this is an attack on the public schools for the benefit of students attending—well, they usually point to exclusive finishing or prep schools. And I'd be willing to bet that you didn't think your children were in such schools. [Laughter]

The overwhelming majority of so-called private schools are church-supported—Catholic, Protestant, and Jewish. Nearly half of the students are from families earning less than \$25,000. In some of our large cities, 40 percent of parochial school students are from minority neighborhoods. Their families pay their full share of taxes to fund the public schools, as well. And I just

don't think that's fair. I think they're entitled to some relief, since they're supporting two school systems and only using one.

I'm disappointed, as I know you are, that our proposal didn't get further in the last Congress. But I can tell you it was, as I said before, one of the first bills that we sent up to the Congress this year. And the first meeting I had was with congressional leaders to push specific legislation, and it was on tuition tax credits. And I want this legislation to move as quickly as possible through the Congress.

Now, I know there's been some talk that—well, maybe I'm strong on rhetoric for it, but I'm not really doing any physical pushing for it. Well, let me tell you, our proposal is on Capitol Hill again, and like Teddy Roosevelt at San Juan, I'm going to charge up that Hill until we get a victory.

We're also proposing a voucher system to help parents of disadvantaged children. We want to give the States or individual school districts the option of using certain Federal educational funds to create vouchers so that those parents can choose which school, private or public, they want their children to attend. If anyone realizes the need for free parental choice, it is the Catholic community. This measure is designed to give the disadvantaged people a choice. They want it, they deserve it, and with your help, they'll get that choice.

Now let me mention one more aspect of our package. We're proposing a system of educational savings accounts to help families save for their children's college education. Parents will be able to save—what we're proposing is \$1,000 per year per child with no tax on the interest. And when the

money is finally withdrawn, it must be for the purpose of sending a child to college.

Now, I believe these proposals will expand the opportunities for our children. It will also increase healthy competition among schools. At any time that we ever settle for a monopoly on education, then we settle for the evils that go with a monopoly. And certainly that does not include academic freedom. In the long run, what we're proposing means a better and more diverse educational system for all of our children, and that's why I wanted to come over here today and tell you about it.

So, I thank you for allowing me to barge in like this—[laughter]—and as I say, they tell me it's a drop-by, so now I have to drop out. [Laughter] And God bless you all, and thank you very much. It's good to see you all again.

Note: The President spoke at 1:29 p.m. in the main ballroom at the Sheraton Washington Hotel. Prior to his remarks, the President met at the hotel with Msgr. John Meyers, president, and several members, of the association.

Remarks in a Telephone Conversation With Commander Paul J. Weitz Aboard the Space Shuttle *Challenger* April 7, 1983

The President. Yes. Am I talking to the space shuttle *Challenger*?

Commander Weitz. Yes, sir, you certainly are.

The President. Well, listen, first of all, congratulations on the continued success of your mission. I understand you're even ahead of schedule.

Commander Weitz. Well, we like to stay that way, Mr. President.

The President. Well, listen, the *Challenger* proves again the quality of our technology, and the versatility of the space shuttle serves as a symbol, I think, of our commitment to maintain America's leadership in space. But all of it would be without any merit at all if it wasn't for men that we have like all of you, Commander Weitz, and your pilot Karol Bobko, and your missions specialists Story Musgrave and Donald Peterson. And I know that while one of you has been out in space there in connection with the space platform, with the others this is your maiden voyage.

Commander Weitz. Well, thank you, sir, and we appreciate that. I know it's an old and well-used saw, but, yes, we just get the glory. We really get to stand on the shoulders of giants when we participate in this program.

The President. Well, you're pretty close to

giants yourselves.

Now, I know that I shouldn't keep you too long because you're kind of anxious to make that space walk out there, and we'll be all watching for that down here. And just please know that all of us, the American people, are very proud of your service to your country and what you're doing. And we wish you well on the continued flight and on the space walk. [Laughing] I can't say I envy you. But we are very proud of all of you. Good luck to you on the rest of your mission, and God bless you.

Commander Weitz. Well, thank you very much, sir. It's an honor and a privilege to be here, and we very much appreciate your call.

The President. All right. Goodby.

Commander Weitz. So long.

Reporter. Why don't you envy them?

The President. What?

Q. Why don't you envy them? [Laughter]

The President. Because I—I don't know. [Laughter] May be a little claustrophobia. They may be in outer space—

Q. Outer space. What are you going to tell the Chinese Ambassador?

The President. Hello. [Laughter]

Note: The President spoke at 3:21 p.m. from the Oval Office at the White House to Com-

mander Weitz, who was aboard the Challenger. Reporters were present in the Oval

Office for the telephone conversation.

Appointment of Four Members of the Motor Carrier Ratemaking Study Commission

April 7, 1983

The President today announced his intention to appoint the following individuals to be members of the Motor Carrier Rate-making Study Commission. These are new positions.

Edward A. Collier, to represent large passenger carriers. He has been with Gulf Transport Corp. since 1946 and has been serving as president since 1978. He is married, has eight children, and resides in Mobile, Ala. He was born November 23, 1928, in Mobile.

Edward P. Deets, to represent small passenger carriers. He is chairman of the board and president of Central Florida Coach Lines (Auto-Bus, Inc.), which he formed in 1972. He is married, has four children, and resides in Mountaintop,

Pa. He was born December 13, 1928, in Slocum, Pa.

John R. Faust, Jr., to be a public member. He is a partner in the law firm of Schwabe, Williamson, Wyatt, Moore & Roberts in Portland, Oreg. He is also a member of the board of visitors at the University of Oregon Law School. He is married, has three children, and resides in Portland. He was born June 16, 1932, in Portland.

Dorsey C. Miller, to be a public member. He is coordinator of the Broward County Migrant Education Program in Ft. Lauderdale, Fla. He is married, has two children, and resides in Lauderdale, Fla. He was born January 7, 1943, in Ocala, Fla.

Statement by Deputy Press Secretary Speakes on Defense Spending

April 7, 1983

The President is deeply disappointed by the Senate Budget Committee's vote on budget authority for the Department of Defense. It is his hope that a majority of the committee will find a way to reconsider their action.

Note: By a vote of 17 to 4, the committee approved a 5-percent increase in military spending authority after accounting for inflation. The President had requested a 10-percent increase after accounting for inflation.

Proclamation 5043—Cancer Control Month, 1983

April 7, 1983

By the President of the United States of America

A Proclamation

Cancer is a major concern to the American people because statistics demonstrate that at least one out of four Americans now

living will become a victim of this disease. However, it is important to recognize that we are making progress against this dread killer—in basic research, in prevention, and in bringing the fruits of cancer research to the community.

Recent empirical studies and basic re-

search are bringing us close to an understanding of how best to prevent, diagnose, and treat cancer. Such scientific advances as the discovery of the oncogene, or cancer gene, have provided fresh insights into the molecular process of this disease. Also on the horizon are positive developments in several areas that enhance our ability to deal with this disease syndrome: e.g., the utilization of hyperthermia, improved immunotherapeutic techniques that include the use of monoclonal antibodies and new vaccines, and approaches to surgery that, while less severe in nature, remain a major weapon in our arsenal.

We continue to gather information indicating that life-style and environment play a significant part in the incidence of cancer. Today there is a growing awareness of carcinogens and radiation as causative factors in cancer development. We recognize more fully the importance of diet and nutrition as factors in the development and prevention of this disease. As we evaluate the incidence of cancer among various groups of people, we may be able to identify substances that can have a chemopreventive effect on the population as a whole.

Reports issued by the Surgeon General increasingly link cigarette smoking with cancer of the lung and other parts of the body.

A concerted effort has begun to bring the latest advances in cancer care and treatment to the community at large in a more effective way than ever before. We hope that with the good-will, determination, and

support of the American people, our continued progress will eventually lead to the control and prevention of this tragic disease.

In 1938, the Congress of the United States passed a joint resolution requesting the President to issue an annual proclamation declaring April to be Cancer Control Month.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of April, 1983, as Cancer Control Month. I invite the Governors of the fifty States and the Commonwealth of Puerto Rico, and the appropriate officials of all other areas under the United States flag, to issue similar proclamations. I also ask the health care professionals, the communications industry, and all other interested persons and groups to unite during this appointed time to reaffirm publicly our Nation's continuing commitment to control cancer.

In Witness Whereof, I have hereunto set my hand this seventh day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:59 a.m., April 8, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on April 8.

Proclamation 5044—Crime Victims Week, 1983 April 7, 1983

*By the President of the United States
of America*

A Proclamation

For too many years, the scales of justice—the very hallmark of our free society—have been out of balance. Too often innocent victims of crime turn to their government for protection and support only to find that the

criminal justice system seems unable to achieve two of its fundamental purposes—protecting those who obey the law and punishing those who break it. Victims and their families must bear the physical, financial, and emotional impact of the crime. It is unjust and inexcusable when they are ignored or mistreated by this system. Victims called for help, and they needed our assist-

ance. Frequently, their pleas have been unheard and their needs have gone unattended.

These were the conclusions of the President's Task Force on Victims of Crime that I established last year. The Task Force conducted hearings around the country, taking testimony from professionals within and outside the system and, most importantly, from victims themselves. The Task Force concluded that the neglect and mistreatment of crime victims are a national disgrace.

I asked the Task Force for recommendations to restore balance to our system. It submitted 68 specific recommendations directed to the Executive Branch and the Congress, State and local legislative bodies, law enforcement officers, the judiciary, prosecutors, defense attorneys, parole boards, bar associations, the religious community, schools, hospitals, the mental health professionals, and the private sector.

No segment of our society should refuse to recognize its responsibility to help. This Administration has already begun implementation of the Task Force's recommendations.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do

hereby proclaim the week beginning April 17, 1983, as Crime Victims Week. I urge officials at all levels of government to take immediate and decisive action to meet the needs of crime victims in their jurisdictions. I urge every American to take action to ease the burdens faced by innocent victims. I urge the victims themselves not to despair. You have made us aware of the inequities you have faced, and we are moving forward to correct them. For too long the justice system has failed to address adequately the rights of victims. The time has come to restore the balance. If our system is to survive, it must truly bring justice to all who seek it.

In Witness Whereof, I have hereunto set my hand this 7th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 12 noon, April 8, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on April 8.

Proclamation 5045—National Defense Transportation Day and National Transportation Week, 1983 *April 7, 1983*

By the President of the United States of America

A Proclamation

From Maine to Hawaii, from the Alaskan border to the Gulf of Mexico, America is a land unified, strengthened, and enriched by transportation. We enjoy a mobility unparalleled anywhere in the world. Our transportation systems—land, water, and air—enable us to work where we choose, travel where we please, and ship the products of our farms and factories across the country and around the world.

Through the years, transportation devel-

opments have paced the growth and progress of our Nation, led to innovations in other industries, contributed significantly to the expansion of our country, and strengthened our defense and the vitality of our economy. Transportation has become one of America's greatest and most valued assets, and the people of the transportation industries are an essential segment of our society.

The Nation has experienced enormous progress in all forms of transportation, from the earliest Erie Canal boats to today's vast inland waterway system; from the clipper ship to the container ship; from yesterday's primitive Lancaster turnpike to our modern

42,000-mile network of interstate highways; from the ribbons of rail that fused a continent to a national rail complex that carries one-and-a-half billion tons of cargo a year; from the first fledgling flight at Kitty Hawk to a national system serving 300 million passengers and hundreds of thousands of general aviation flyers a year; from horse-drawn transit vehicles to today's sleek urban rail cars and buses. America and its transportation industries have grown and prospered, providing employment, security, safe and efficient mobility for all Americans, and opening avenues to the future with such visionary projects as NASA's space shuttle program.

In recognition of the importance of transportation in America and to honor the millions of Americans who serve and supply our transportation needs, the Congress, by joint resolution approved May 16, 1957, has requested that the third Friday in May of each year be designated National Defense Transportation Day; and by a joint resolution approved May 14, 1962, that the week in which that Friday falls be proclaimed

National Transportation Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate Friday, May 20, 1983 as National Defense Transportation Day and the week beginning May 15, 1983 as National Transportation Week, and I urge the people of the United States to observe this occasion with appropriate ceremonies which will give full recognition to the importance of our transportation system and the maintenance of its facilities.

In Witness Whereof, I have hereunto set my hand this 7th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 12:01 p.m., April 8, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on April 8.

Proclamation 5046—World Trade Week, 1983 April 7, 1983

*By the President of the United States
of America*

A Proclamation

The United States is firmly linked with other nations in the global economy by mutually beneficial international trade. Exports now account for more than 16 percent of the total value of all goods produced in this country. Two of every five acres of farmland produce for export, and one of every eight jobs in manufacturing depends on overseas trade. Indeed, four of every five new manufacturing jobs are export-related.

As the world's largest trading Nation, the United States has much to gain from the continued expansion of world trade and much to lose if it is diminished. As a country that has been built on economic freedom, America must be an unrelenting advo-

cate of free trade.

As an integral part of the marketplace, the free flow of goods and services across international borders serves to raise the living standards and promote the well-being of people throughout the globe. It inspires private initiative and the entrepreneurial spirit which leads to more open markets, greater freedom, and serves as a boon to human progress. In an interdependent world made smaller by modern communications, free trade is even more essential for the continued economic growth and advancement of both industrialized and developing nations. America must not be tempted to turn to protectionism, but lead the way toward freer trade and more open markets where our producers and training partners can compete on a fair and equal basis.

Despite the high volume of our international trade, we still are far from matching the international sales efforts of our leading competitors. Only ten percent of our firms export, and only seven percent of our gross national produce finds its way into foreign markets—less than half the percentage of our major trading partners.

In this increasingly interdependent world, American business must focus more of its efforts on exporting our goods and services. A promising new tool is now available to increase export participation: the Export Trading Company Act of 1982. This law will help American businesses, particularly small and medium-sized companies, to organize themselves for stronger export efforts with considerably less hindrance by government regulation.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do

hereby proclaim the week beginning May 22, 1983, as World Trade Week, and I invite the people of the United States to join in appropriate observances to affirm the enormous potential international trade has for creating jobs and stimulating economic activity in this country, as well as for generating prosperity the world over.

In Witness Whereof, I have hereunto set my hand this 7th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 12:02 p.m., April 8, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on April 8.

Executive Order 12416—Intergovernmental Review of Federal Programs

April 8, 1983

By the authority vested in me as President by the Constitution and statutes of the United States of America, and in order to allow additional time for implementation by State, regional and local governments of new Federal regulations which foster an intergovernmental partnership and strengthened federalism, it is hereby ordered as follows:

Section 1. The preamble to Executive Order No. 12372 of July 14, 1982 is hereby amended by inserting, after the words “42 U.S.C. 4231(a))”, the following phrase: “; Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3334)”.

Sec. 2. Section 5(b) of Executive Order No. 12372 is amended by deleting “April 30, 1983” and inserting in its place “September 30, 1983.”

Sec. 3. Section 8 of Executive Order No. 12372 is amended by deleting “within two years” and inserting in its place “by September 30, 1984”.

RONALD REAGAN

The White House,
April 8, 1983.

[Filed with the Office of the Federal Register, 12:03 p.m., April 8, 1983]

Remarks of President Reagan and President Osvaldo Hurtado Larrea of Ecuador Following Their Meetings April 8, 1983

President Reagan. Well, our very cordial and productive talks today covered a broad range of issues. As two countries strongly committed to democratic government, we are heartened by the obviously favorable trend toward democracy in Latin America. And I would be remiss if I did not express here my personal admiration for President Hurtado's courageous leadership in this area and his firm resolve to hold free national elections next year.

The President and I also spoke today about the serious economic difficulties facing many countries in this hemisphere and the importance of working closely together to overcome these problems. Such cooperation is vital to our mutual interest in peaceful and democratic change. We're confident that the economic measures President Hurtado is taking in Ecuador will succeed.

Our two governments have worked closely to resolve differences that may arise between us. We were pleased to reach an accord last month on restrictions for certain Ecuadorean fish exports to the United States and welcomed Ecuador's willingness to discuss practical solutions to the fisheries issues.

Our discussions today were carried on in a spirit of openness and mutual respect as befits two countries with many shared values, including our commitment to democracy, freedom, and human rights. I have very much appreciated the opportunity to have President Hurtado as my guest, to benefit from his perceptive views, and to reaffirm the warm and abiding friendship that the peoples of our two countries have long enjoyed.

President Hurtado. Thank you very much, Mr. President.

It has been a great pleasure and a satisfaction to speak to Mr. Reagan, to President Reagan, regarding the problems of Latin America and the possible social and economic consequences.

In Latin America, and specifically in my country, in Ecuador, we have assumed the responsibility for reestablishing the balance that is necessary to maintain economic and political equilibrium.

However, the efforts that my government and our people can carry out will not be sufficient if we do not find the understanding and the aid of the industrialized countries of the North, as well as the collaboration of multinational finance institutions and international, private banking groups. Without this cooperation, all of the national efforts undertaken by ourselves and our people will not give the necessary results that we are all attempting to find.

In the conversations that we have held during these past few days with the representatives of all these organizations, and especially in the conversations maintained with President Reagan today, we have found a very high degree of understanding with reference to the problems that afflict Latin America and that these will lead us to finding solutions.

The conversations that we have maintained during these days have had always as a common horizon the will of the two countries in maintaining the ideals that are shared by both countries—ideals of liberty and of deep respect for human rights.

A social progress democracy is what Latin America requires, and perhaps out of this crisis we can find the necessary means to look for these solutions.

Thank you.

Note: President Reagan spoke at 1:28 p.m. to reporters assembled at the South Portico of the White House. President Hurtado spoke in Spanish, and his remarks were translated by an interpreter.

Earlier, the two Presidents met in the Oval Office and then held a working luncheon, together with Ecuadorean and U.S. officials, in the Residence.

Appointment of Three Members of the Architectural and Transportation Barriers Compliance Board

April 8, 1983

The President today announced his intention to appoint the following individuals to be members of the Architectural and Transportation Barriers Compliance Board for terms expiring December 3, 1985:

Richard Chavez will succeed William A. Passmore. He is president of Educational Designs, Inc., in Los Angeles, Calif. He was appointed to the California Governor's Committee for Employment of the Handicapped and the State Department of Rehabilitation Appeals Board. He is married, has two children, and resides in Montebello, Calif. He was born August 28, 1943, in Los Angeles.

Rosemary Margaret Front will succeed Carol Ann

Grant. She has served as executive director of the Wheeling Society for Crippled Children since 1969. She is on the consumer board of the West Virginia Vocational Rehabilitation Association and is a member of the American Speech and Hearing Association. She was born December 13, 1940, in Wheeling, W. Va.

Jackie O. McSpadden will succeed Kay E. Neil. He is staff supervisor-personnel for Southwestern Bell in Little Rock, Ark. He is a member of the advisory board to the Rehabilitation Program at the University of Arkansas in Little Rock and of the Arkansas Governor's Commission for People with Disabilities. He is married, has two children, and resides in Little Rock. He was born February 19, 1942, in Desha, Ark.

Nomination of John Giffen Weinmann To Be United States Commissioner General of the 1984 Louisiana World Exposition

April 8, 1983

The President today announced his intention to nominate John Giffen Weinmann to be Commissioner General of the United States Government for the 1984 Louisiana World Exposition. This is a new position.

Since 1953 Mr. Weinmann has been with the law firm of Phelps, Dunbar, Marks, Claverie & Sims in New Orleans, La. He is presently serving as counsel to the firm. In addition, he is a director of the First National Bank and Trust Co. of Oklahoma City, Okla., and of the American Life Insurance Co. of New York. He is president and director of Waverly Oil Corp. in New Orleans. Mr. Weinmann was an attorney for the

Rathbone Land Co. and for the Times-Picayune Publishing Co. in 1968–1980.

Mr. Weinmann has been a director of WYES educational television station since 1981. He is a member of the Metropolitan Area Committee, Council for a Better Louisiana, the Bureau of Governmental Research, and the Chamber of New Orleans and the River Region.

He graduated from Tulane University (B.A., 1950; J.D., 1952). He is married, has five children, and resides in Metairie, La. He was born August 29, 1928, in New Orleans, La.

Radio Address to the Nation on Federal Income Taxes

April 9, 1983

My fellow Americans:

In just a few days, the date many of us dread more than any other will be upon

us—April 15th, deadline for filing income tax returns.

Like Federal employees, taxpayers also

work for the Government—they just don't have to take a civil service exam. Here in America, land of opportunity, governments at all levels are taxing away 40 percent of our nation's income. We've been creeping closer to socialism, a system that someone once said works only in heaven, where it isn't needed, and in hell, where they've already got it.

We know that the secret of America's success has been our drive to excel, a spirit born and nurtured by our families. With their dreams and hard work, they've built our nation, made her great, and kept her good. Everything we've accomplished began in those bedrock values parents have sought to impart throughout our history—values of faith in God, honesty, caring for others, personal responsibility, thrift, and initiative.

But families cannot prosper and keep America strong if government becomes a Goliath that preys upon their wealth, usurps their rights, and crushes their spirit. For too many years, overgrown government has stood in your way, taking more and more of what you earned, no matter how hard you tried.

Make no mistake, the thousands of small businesses and the workers in steel, autos, and housing who have suffered so badly from the recession didn't lose their jobs by chance. Years of confidence—or excuse me, I should say, well-intentioned but strong-headed policies plundered their earnings and crippled their ability to produce and compete. By 1981 double-digit inflation and excessive regulations had driven up the price of their products. Record interest rates made it too difficult for their firms to borrow money to modernize their equipment, and record tax increases sharply increased the price of their labor in the marketplace.

It's taken us 2 years to reverse that damage, get productivity growing again, and foster a recovery that's starting to bring people back to work. We've done it by reducing inflation from 12.4 percent to only four-tenths of 1 percent for the last 6 months, by chopping in half that towering prime interest rate, and by passing the first comprehensive tax rate reduction for all Americans who earn and save since the

Kennedy tax cuts in the 1960's.

On July 1st, you'll receive the final installment of your 25-percent personal income tax rate reduction. It's not as much as we wanted, but it's the most we could get given the tremendous opposition to any tax reduction by the spending lobbies in Washington.

Here's what it means to you: A median-income family of four, which earned \$26,000 in 1981 and has kept pace with inflation, will owe about \$700 less in Federal income taxes in 1983 than if our tax program had not been passed. In fact, because of our tax cuts, that family can earn \$3,000 more in 1983 than it did in 1981 and it will still owe less in Federal income taxes. That's progress and that's what we mean by incentives. If you work or save more tomorrow than you did today, your reward will be greater than it was. More of every dollar of your added earnings and interest will be yours to keep. Then, in 1985, our program will index your tax rates so you won't be shoved into higher tax brackets when you receive cost-of-living raises. This will be a protection we never had before.

Many other features of our tax program were designed to help your families. For working wives and mothers, we've reduced the marriage penalty and increased the child care credit. For family farms and family-owned businesses, we've dramatically reduced the estate tax. For small savers, we've deregulated financial institutions to give you a higher rate of return than you received before. For all of you trying to put money aside for later years, we have introduced strong new incentives for individual retirement accounts, extended IRA's to participants in employer-sponsored pension programs, and doubled maximum Keogh contributions. Further tax breaks for savers will be coming up in 1985, when 15 percent of interest income, up to \$450 for single taxpayers and \$900 for married couples, can be excluded from taxes.

Taken together, this is the most sweeping program of incentives ever passed to help American families and give them real hope for their future. But just as our program is beginning to mesh and deliver what we promised, with personal savings and spend-

ing up, productivity up, auto and steel production and housing construction all recovering, workers being called back, the stock market hitting an all-time high, and consumer confidence surging—just as the recovery is gaining strength—a plan is afoot that would wreck the progress we've made.

For all of you who've worked hard to meet your tax obligations this year, be on guard. The liberal Democrats in the House of Representatives want you to pay more—much more. They want to increase taxes on median-income families by \$3,550 over the next 5 years. Nothing could be more unfair. And I promise you this: I will veto any attempt to take away the third year of your tax cut or the indexing which benefit low- and medium-income families the most.

But a recent special report put out by the Democratic study group makes plain they are considering many other options to raise your taxes. You should know that these options include capping mortgage interest de-

ductions, eliminating deductions for State and local taxes—in other words, you'd pay a tax on a tax—limiting charitable contributions for nonitemizers, taxing part of the capital gains on home sales, taxing fringe benefits, and on and on and on.

The liberal Democratic tax policy seems to boil down to this: America makes, Government takes. The fallacy of this approach was well understood by a visionary Democrat, President John F. Kennedy, who said in 1963, "The largest single barrier to full employment and to a higher rate of economic growth is the heavy drag of Federal income taxes on private purchasing power, initiative, and incentive." His words are just as true today.

We will not reverse our progress in reducing tax rates. We have only begun. Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Question-and-Answer Session With Reporters on the Situation in the Middle East

April 10, 1983

Q. Mr. President, what hopes now for peace in the Middle East since King Hussein says he will not take part on behalf of the PLO?

The President. Let me just say a few words about that. Some radical elements of the PLO have introduced some changes in the proposals that have been made and the policy that we've been trying to follow with regard to Middle East peace. Those changes are unacceptable to King Hussein; they are unacceptable to King Fahd; they are unacceptable to me. And I have been in touch with King Fahd and King Hussein and am going to be in touch with other Arab leaders about this.

We feel that the changes that were suggested would impede the efforts that we've been making toward negotiated peace in the Middle East—peace for Israel, peace for all of the countries there. And as I say, we

are in agreement. I won't take any of your questions now, because I still have other Arab leaders that I'm going to be in touch with regarding this.

Q. But you seem to be saying that you're still hopeful that somehow the radical elements can be overcome by the Palestinians.

The President. I'm—just having gotten out of the helicopter, my ears haven't opened up yet.

Q. Are you still hopeful that somehow King Hussein will join the talks—[*inaudible*].

The President. Oh, we're all very hopeful, because as I say, we're all in agreement about these other proposals that have been made. And I have their assurance that they want to proceed with what we've been doing. We've made great progress so far, and King Hussein has made great progress.

Q. When did you talk to him, sir?

The President. Today.

Q. Aren't you disappointed by the statement that came out today, though?

The President. Well, yes, of course. It is, as I say, it's an impediment in our search for peace. And that is our goal—peace for the Middle East, peace for Israel, peace for the Arab nations in that troubled area.

Q. Who were the radical elements—

The President. Well, I can't—as I said, that's why I can't take any questions, because I can't deal in specifics while I still have other heads of state that I want to communicate with.

Q. What about the assassination of the moderate PLO leader today?

The President. Well, I think that's always a tragedy—something of that kind. And it's indicative of the kind of violence we're trying to eradicate.

Q. Thank you, Mr. President.

Q. Wouldn't it be time for the United States to consider negotiating with the PLO itself?

The President. I can't answer any questions.

Q. Are you calling those other leaders today, Mr. President?

The President. Probably some of them, yes.

Q. Thank you, sir.

Note: The exchange began at approximately 3:10 p.m. on the South Grounds of the White House as the President was returning from a weekend stay at Camp David, Md.

On April 11 the White House announced that on Sunday the President spoke by telephone with King Hussein I of Jordan, King Fahd of Saudi Arabia, and King Hassan II of Morocco.

Nomination of Arthur Winston Lewis To Be United States Ambassador to Sierra Leone

April 11, 1983

The President today announced his intention to nominate Arthur Winston Lewis, of the District of Columbia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador to Sierra Leone. He would succeed Theresa Ann Healy.

Mr. Lewis served in the United States Navy in 1943–1946, 1950–1953, and 1954–1968. He began his Foreign Service career in 1968 with the United States Information Agency as a recruiter specialist. In 1969–

1970 he attended Romanian language training at the Foreign Service Institute. He was cultural affairs officer in Bucharest (1970–1972), counselor for public affairs in Lusaka (1972–1974), in Addis Ababa (1974–1977), and in Lagos (1977–1979). Since 1979 he has been Director for African Affairs in the agency.

Mr. Lewis graduated from Dartmouth College (A.B., 1966; A.M., 1969). His foreign language is Romanian. He was born July 1, 1926, in New York, N.Y.

Nomination of Chapman Beecher Cox To Be an Assistant Secretary of the Navy

April 11, 1983

The President today announced his intention to nominate Chapman Beecher Cox to be an Assistant Secretary of the Navy (Man-

power and Reserve Affairs). He would succeed John S. Herrington.

Since 1981 Mr. Cox has been serving as

Deputy Assistant Secretary of the Navy for Logistics. Previously he was in the private practice of law with the firm of Sherman & Howard, Denver, Colo., in 1972–1981 and the firm of Adams, Duque & Hazeltine in Los Angeles, Calif. (1969–1972).

He served in the United States Marine

Corps in 1966–1968. He graduated from the University of Southern California (B.A., 1962) and Harvard Law School (J.D., 1965). He is married, has two sons, and resides in Arlington, Va. He was born July 31, 1940, in Dayton, Ohio.

Nomination of Robert Setrakian To Be a Commissioner of the Federal Maritime Commission

April 11, 1983

The President today announced his intention to nominate Robert Setrakian to be a Commissioner of the Federal Maritime Commission for the term expiring June 30, 1987. He would succeed Richard J. Daschbach.

Mr. Setrakian is president, part owner, and director of the Mid-State Horticultural Co., Inc., in San Francisco, Calif. He also serves as a director of First Nationwide Savings and as a member of the American Society of Enologists. He was chairman and

chief executive officer of California Growers Winery, Inc., in 1971–1982; director of Air West in 1965–1970; founder and chairman of the board of the National Bank of Agriculture in 1963–1968; director of Pacific Air Lines in 1962–1965; and president and director of Coastwise Steamship Line in 1959–1962.

He graduated from Stanford University (B.A., 1949). He has four children and resides in San Francisco, Calif. He was born January 21, 1924, in Fresno, Calif.

Proclamation 5047—National Arthritis Month, 1983

April 11, 1983

By the President of the United States of America

A Proclamation

Arthritis, the oldest known group of chronic diseases, is still the Nation's greatestcrippler. At least 35 million Americans—about one in seven—have some form of arthritis.

The total cost of arthritis must be counted not only in terms of socioeconomic losses, but also in terms of human suffering and disability. Uncontrolled arthritis has major negative social, psychological, and economic impacts not only on the patients who suffer from arthritis, but also on their families and on our society in general.

We have learned a great deal through research, but as yet these disorders are not

fully understood and are not adequately controllable. We must meet the critical need for new research ideas and productive research studies upon which advances in the area of arthritis treatment and prevention can be based. Our goal continues to be the eventual elimination of arthritis as a cause of human suffering and economic burden to our Nation.

Now, Therefore, I, Ronald Reagan, President of the United States of America, in accordance with Senate Joint Resolution 32, do hereby proclaim the month of May 1983 as National Arthritis Month. I urge the people of the United States and educational, philanthropic, scientific, medical and health care organizations, and professionals to support appropriate efforts to discover the causes and cures of all forms of arthritis and

to alleviate the suffering of victims of these disorders.

In Witness Whereof, I have hereunto set my hand this eleventh day of April, in the year of our Lord nineteen hundred eighty-three, and of the Independence of the

United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:30 a.m., April 12, 1983]

Remarks to the American Gathering of Jewish Holocaust Survivors April 11, 1983

President Meed, Chairman Wiesel, the other distinguished leaders of the United States Holocaust Memorial Council, participants in the American Gathering of Jewish Holocaust Survivors, members of the second generation, friends, survivors:

Tonight we stand together to give thanks to America for providing freedom and liberty and, for many here tonight, a second home and a second life.

The opportunity to join with you this evening as a representative of the people of the United States will be for me a cherished memory. I am proud to accept your thanks on behalf of our fellow Americans and also to express our gratitude to you for choosing America, for being the good citizens that you are, and for reminding us of how important it is to remain true to our ideals as individuals and as a nation.

We are here, first and foremost, to remember. These are the days of remembrance, *Yom Hashoah*. Ours is the only nation other than Israel that marks this time with an official national observance. For the last 2 years I've had the privilege of participating personally in the Days of Remembrance commemoration, as President Carter did before me. May we take a moment to pause and contemplate, perhaps in silent prayer, the magnitude of this occasion, the millions of lives, the courage and dignity, the malevolence and hatred, and what it all means to our lives and the decisions that we make more than a generation later.

Would you please join me and stand in a tribute to those who are not with us for a moment of silence.

[At this point, the audience stood for a moment of silent prayer.]

Amen.

In the early days of our country, our first President, George Washington, visited a Hebrew congregation in Newport, Rhode Island. In response to their address, he wrote them a now rather famous letter reflecting on the meaning of America's newly won freedom. He wrote, "All possess alike liberty of conscience and immunities of citizenship. For happily the Government of the United States, which gives to bigotry no sanction, to persecution no assistance, requires only that they who live under its protection should demean themselves as good citizens."

Well, certainly our country doesn't have a spotless record, but our fundamental beliefs, the ones that inspired Washington when he penned that letter, are sound. Our whole way of life is based on a compact between good and decent people, a voluntary agreement to live here together in freedom, respecting the rights of others and expecting that our rights in return will be respected.

But the freedom we enjoy carries with it a tremendous responsibility. You, the survivors of the Holocaust, remind us of that. Good and decent people must not close their eyes to evil, must not ignore the suffering of the innocent, and must never remain silent and inactive in times of moral crisis.

A generation ago, the American people felt like many others in the Western World—that they could simply ignore the expanding power of a totalitarian ideology. Looking back now, we must admit that the

warning signs were there, that the world refused to see. The words and ideology of the Nazis were rationalized, explained away as if they had no meaning. Violations of religious freedom, the attacks on Jewish property, the censorship, the heavy taxes imposed on those who wished to emigrate, even the first concentration camps—all this ignored, as was the incredible expansion of Germany's war machine.

A few brave voices tried to warn of the danger. Winston Churchill was driven into the political wilderness for speaking the unpleasant truth. There were also those who in their sincere desire for peace were all too ready to give totalitarians every benefit of the doubt and all too quick to label Churchill a warmonger. Well, time has proven that those who gloss over the brutality of tyrants are no friends of peace or freedom.

Tonight, let us pledge that we will never shut our eyes, never refuse to acknowledge the truth, no matter how unpleasant. If nothing else, the painful memory we share should strengthen our resolve to do this. Our Founding Fathers believed in certain self-evident truths, but for truth to prevail we must have the courage to proclaim it.

Last week we reaffirmed our belief in the most meaningful truths of our Judeo-Christian heritage—Passover and Easter. These two religious observances link our faiths and celebrate the liberation of the body and soul. The rites of Passover remind us of the freeing of our common ancestors from the yoke of Pharaoh's bondage and their exodus to freedom. And today, you bear witness to a modern-day exodus from the darkness of unspeakable horror to the light and refuge of safe havens—the two most important being America and what soon became the State of Israel.

As a man whose heart is with you and as President of a people you are now so much a part of, I promise you that the security of your safe haven here and in Israel will never be compromised. Our most sacred task now is ensuring that the memory of this greatest of human tragedies, the Holocaust, never fades; that its lessons are not forgotten.

Although so much has been written and said, words somehow are never enough. If a

young person, the son or daughter of a neighbor or friend should die or suffer a terrible illness, we feel the sorrow and share the pain. But how can we share the agony of a million young people suffering unspeakable deaths? It's almost too great a burden for the human soul. Indeed, its very enormity may make it seem unreal. Simon Weisenthal has said, "When a hundred people die, it's a catastrophe. When a million people die, it's just a statistic."

We must see to it that the immeasurable pain of the Holocaust is not dehumanized, that it is not examined clinically and dispassionately, that its significance is not lost on this generation or any future generation. Though it is now a dry scar, we cannot let the bleeding wound be forgotten. Only when it is personalized will it be real enough to play a role in the decisions we make. Those victims who cannot be with us today do a vital service to mankind by being remembered. But we must be their vessel of remembrance. This reunion is part of our duty to them.

Ben Meed, by serving as the catalyst for this historic event, you exemplify the meaning of good citizenship. America is lucky to have you. Elie Wiesel, you have done so much for so many years now, for all you've done, thank you for your noble effort.

Americans can be proud that with the help of these two men and many others, we're moving forward to build a Holocaust Memorial, a living museum here in the Nation's Capital. And it is being financed, as is this gathering, by voluntary contributions by Jews and Gentiles, by citizens from every walk of life, of every race and creed, who grasp the importance to our soul and to our well-being of seeing, of understanding, and of remembering.

Imparting the message of the Holocaust, using it to reinforce the moral fiber of our society is much more than a Jewish responsibility. It rests upon all of us who, not immobilized by cynicism and negativism, believe that mankind is capable of greater goodness. For just as the genocide of the Holocaust debased civilization, the outcome of the struggle against those who ran the camps and committed the atrocities gives us hope that the brighter side of the human

spirit will, in the end, triumph.

During the dark days when terror reigned on the continent of Europe, there were quiet heroes, men and women whose moral fiber held firm. Some of those are called "righteous Gentiles." At this solemn time, we remember them also.

Alexander Rozlan and his wife, for example, now live in Clearwater, Florida. But during the war, they lived in Poland, and they hid three Jewish children in their home for more than 4 years. They knew the terrible risk they were taking. Once, when German soldiers searched their home, the Rozlans kept serving wine and whiskey until the troops were so drunk they forgot what they were looking for. Later, Rozlan's own son was in the hospital with scarlet fever. The boy hid half of the medicine under his pillow so he could give it to the Jewish children his family were hiding, because they, too, had scarlet fever.

There are many such stories. The picturesque town of Assisi, Italy, sheltered and protected 300 Jews. Father Rufino Niccacci organized the effort, hiding people in his monastery and in the homes of parishoners. A slip of the tongue by a single informant could have condemned the entire village to the camps, yet they did not yield.

And, of course, there was Raoul Wallenberg, one of the moral giants of our time, whose courage saved thousands. He could have remained in his native Sweden, safe from the conflagration that engulfed the continent. He chose to follow his conscience. Yes, we remember him, too.

I would affirm, as President of the United States and, if you would permit me, in the names of the survivors, that if those who took him from Budapest would win our trust, let them start by giving us an accounting of Raoul Wallenberg. Wallenberg and others who displayed such bravery did not consider themselves heroes. I understand that some of them, when asked about why they risked so much, often for complete strangers, replied, "It was the right thing to do." And that was that. It was just their way.

That kind of moral character, unfortunately, was the exception and not the rule. But for that very reason, its a consciousness we must foster.

Earlier, I described our country as a compact between good and decent people. I believe this, because it is the love of freedom, not nationalistic rituals and symbols, that unites us. And because of this, we are also bound in spirit to all those who yearn to be free and to live without fear. We are the keepers of the flame of liberty.

I understand that in Hebrew, the word for "engraved" is *charut*. It is very similar to the word for "freedom," *cheyrut*. Tonight, we recognize that for freedom to survive and prosper it must be engraved in our character, so that when confronted with fundamental choices we will do what is right—because that is our way.

Looking around this room tonight I realize that although we come from many lands, we share a wealth of common experiences. Many of us remember the time before the Second World War. How we and our friends reacted to certain events has not faded from our memory. There are also in this room many young people, sons and daughters, maybe even a few grandchildren. Perhaps some of the younger ones can't understand why we're making so much of a fuss. Perhaps some of them think we're too absorbed by the heartaches of the past and should move on.

Well, what we do tonight is not for us; it's for them. We who are old enough to remember must make certain those who take our place understand. So, if a youngster should ask you why you're here, just tell that young person, "because I love God, because I love my country, because I love you, *Zachor*."

I can't close without remembering something else. Some years ago, I was sent on a mission to Denmark. And while there, I heard stories of the war. And I heard how the order had gone out for the Danish people, under the Nazi occupation, to identify the Jews among them. And the next day, every Dane appeared on the street wearing a Star of David.

Thank you all, and God bless you.

Note: The President spoke at approximately 8:36 p.m. at the Capital Centre in Landover, Md., following an introduction by Benjamin Meed, president of the American

Gathering of Jewish Holocaust Survivors. The President was greeted on his arrival at the Capital Centre by Elie Wiesel, Chair-

man of the United States Holocaust Memorial Council.

Statement on Direct Communication Links Between the United States and the Soviet Union

April 12, 1983

I am pleased to note the completion of the report of the Secretary of Defense on Direct Communication Links and Other Measures to Enhance Stability. I believe that the proposals in this report, which was prepared in accordance with Public Law 97-252, are fully consistent with our goal of reducing the risk of nuclear war.

The Department of Defense report recommends a number of new measures. Of special note are those measures proposed to improve communications and build confidence between the United States and the Soviet Union. They include: addition of a high-speed facsimile capability to the Direct Communications Link (Hotline), which would permit the transmission of full pages of text and maps and graphs; the establishment of a Joint Military Communications Link, which would be a high-speed facsimile link between the U.S. National Military Command Center and its Soviet counterpart; and the upgrading of existing diplomatic communications channels with higher speed data transmission capability. Also included is a proposal for an agreement, open to all states, which would call on the signatories to consult with each other in the

event of a nuclear incident involving a terrorist group.

The Department of Defense recommendations complement the arms reductions proposals which the U.S. already has made to the Soviet Union in both Strategic Arms Reduction Talks and the negotiations on Intermediate Nuclear Forces.

The initiatives also complement the confidence-building measures the United States already has proposed to the Soviet Union in the START and INF negotiations. Those measures would reduce the danger that nuclear war could ever arise from accident, misinterpretation, or miscalculation. They include proposals that the two sides notify each other in advance of all launches of intercontinental, submarine-launched, and land-based, longer range intermediate-range ballistic missiles. Additionally, they would require each party to provide advance notice of major military exercises involving nuclear forces and to exchange information of unprecedented breadth and detail about their strategic and intermediate-range ballistic missiles.

Over the next few weeks, I will be giving the recommendations in the Defense Department report my full consideration.

Remarks at the Welcoming Ceremony for Sultan Qaboos bin Said of Oman

April 12, 1983

The President. Your Majesty, it's always a pleasure for me to meet good friends on behalf of the American people. But welcoming you, a courageous and admirable leader, is, indeed, an honor. I've read of

your many accomplishments, your commitment to your people, and your dedication to your ideals. And I've looked forward to this day when we could meet face to face.

Your Majesty, the American people are

deeply impressed by what you've achieved. Since you assumed leadership, your country's progress—economically, socially, and politically—has established your reputation as a compassionate leader who can get things done. In an inspiring commitment to the long-run interest of your people, you've built a modern education system of which any country would be proud. Similarly, the level of health care available to your people is testimony to the humane character and businesslike efficiency of your leadership, and your building the infrastructure of a modern economy, fulfilling the prerequisites for progress for your people.

Your Majesty, we're pleased that as your friends we were able to make some small, but we hope significant, contribution to your bold endeavors. In your 1980 National Day address, you put forth a goal to your people. You said, "Self-reliance is to be the keystone of all our plans for the future." With this as a guidepost, you have moved forward to diversify your economy. Now the people of Oman are able to rely on agriculture, mining, industry, fishing, and other commercial endeavors, in addition to oil, to support an acceptable quality of life. We applaud this farsighted approach and hope that we can continue to play a helpful role.

But, Your Majesty, as you're keenly aware, peace and security are irreplaceable ingredients for progress. It is no secret that vital national interests motivate the United States in the Middle East. We and our allies depend on oil originating there, much of it moving close to your shores through the Straits of Hormuz. Yet, unlike another world power which encourages and exploits conflict, the United States sees its interests fulfilled in regional peace and stability. We are thus committed to work with those in the Middle East who need our help to secure peace and to deter outside aggression. To this end, we've made rapid progress in recent years, developing the capability of coming to the assistance of our friends, wherever they may be.

I'd like to take this opportunity to thank you, Your Majesty, for your support of our efforts to deter aggression. The brutality we've witnessed in Afghanistan—the attempt to suppress an entire population, the

debasement of its religion and the use of chemical weapons and other crimes against civilization—suggests that our concerns are well founded.

In recent years you've made many laudable contributions to peace. We appreciate, for example, your continued support for peaceful accommodation between Israel, Egypt, and its other Arab neighbors. The United States remains morally committed to further progress in the direction of peace and security for all the peoples of the Middle East.

The plan I outlined on September 1st last year is still on the table. While there may be bumps along the way, we will not be deterred from our long-term objective, which is a broad-based settlement firmly grounded on United Nations Security Council Resolutions 242 and 338 and consistent with the Camp David framework.

As we speak now, radical elements are seeking to prevent an agreement which would permit King Hussein of Jordan to join the peace process. The choices facing the Palestinian leaders are clear—either the status quo and the continued frustration of their people's aspirations or a bold and courageous move to break the deadlock. For our part, we will not permit the forces of violence and terror to exercise a veto over the peace process.

Commenting about the conflicts surrounding Israel, you recently observed, "People now want to see the problem solved once and for all in every respect." Your Majesty, that is certainly our desire. And I can assure you, we will spare no effort to put an end to the killing and to bring this dreadful chapter in Middle East history to a conclusion acceptable to all sides. I look forward to discussing this problem and other important matters relating to Middle East peace with you today.

Lasting peace will come when individuals of good will, though in disagreement at times, work together to prevent conflict. We have followed with interest your own efforts to foster regional cooperation, particularly the improvement in your relations with South Yemen. We wish you continued success in your attempts to eliminate the causes of tension and instability in the Gulf.

Your Majesty, we're proud to be on your side in your quest for a better life for your people and your search for peace and stability. Relations between our two peoples have spanned a century and a half. I am confident that your visit today will serve to further strengthen the bonds between us.

We're happy that you have come to visit. Welcome.

The Sultan. Thank you very much.

Mr. President, I greatly appreciate the warm and generous words with which you have welcomed me to your great country today. It gives me particular pleasure that this, my first state visit, should so happily coincide with the 150th anniversary of the establishment of those friendly relations which have remained constant between our two countries to the present day.

That these relations should have stood the test of time with which constancy is hardly surprising, for our two peoples share common and deeply cherished traditions which lie at the very foundation of our national existence. Indeed, it was these profound beliefs in tolerance, justice, and determination to defend freedom and to uphold the sanctity of human rights which provided the great impulse which brought men from many parts of the world more than 200 years ago in a pilgrimage to this beautiful land to realize their dream of a new life and to found a nation which would enshrine those principles forever.

Mr. President, over the years the United States of America has striven unceasingly to make this world a better place for humanity, but nothing you have achieved has surpassed the example of your steadfast championship of those principles often at great sacrifice and in the face of the most daunting obstacles. I and my people who have, ourselves, fought through many bitter years of struggle to maintain our country's freedom—and will do so again should the need ever arise—are deeply conscious of this, for we know from our own experience that peace must go hand in hand with dignity and freedom; that life, if it is to be worth living, can only be founded on justice and respect for humanity and that these prizes are not easily won or preserved.

I believe that the world has never stood in greater need for these values than it does

today. In recent years, the forces of aggression, intolerance, and lawless ambition have increasingly sought to impose their will on mankind. The world has had no respite from the continuing threat of instability.

Nowhere has this threat been more acutely felt than in our own region of the Middle East, where we and our brother states of the Gulf Cooperation Council have pledged ourselves to work together in the closest accord to safeguard our peoples and our ancient culture.

Mr. President, I welcome the constructive understanding your country is showing of the problems which confront our region. And I am convinced that the measures you have taken will greatly contribute to the maintenance of peace and security there. I also warmly commend the endeavors you have made to help bring about an honorable solution to the strategic Middle East situation, endeavors which, as you know, Oman has unswervingly supported. It is imperative that efforts to achieve this solution continue not only in the cause of common humanity but because so long as the present situation persists, then so long will it present a continuing threat to world peace and provide the opportunity for those forces which exploit the misery and dissension it perpetuates to further their own ambitions.

Mr. President, I am sure that my visit will not only serve as a reaffirmation of the cordial relationship that has for so long existed between our two countries but will further strengthen the mutual confidence and understanding upon which that relationship rests.

Note: The President spoke at 10:15 a.m. on the South Lawn of the White House, where the Sultan was accorded a formal welcome with full military honors.

Following the ceremony, the President and the Sultan met in the Oval Office. They were joined by the Vice President, Secretary of State George P. Shultz, Assistant to the President for National Security Affairs William P. Clark, U.S. Ambassador to Oman John R. Countryman, and Minister of State for Foreign Affairs Yusuf al-'Alawi

'Abdullah and other Omani officials. The President and the Sultan, together with their delegations, then met in the Cabinet Room.

Nomination of Robert Emmet Lighthizer To Be a Deputy United States Trade Representative

April 12, 1983

The President today announced his intention to nominate Robert Emmet Lighthizer to be a Deputy United States Trade Representative, with the rank of Ambassador. This is a new position.

Since 1981 Mr. Lighthizer has been serving as chief counsel and staff director for the United States Senate Committee on Finance. Previously he was chief minority counsel for the United States Senate Committee on Finance in 1978–1981. He was an

associate of the law firm of Covington & Burling in Washington, D.C., in 1973–1978. He served as chairman of the Federal Bar Association Federal Practice Committee in 1975–1978.

Mr. Lighthizer graduated from Georgetown University (B.A., 1969) and Georgetown University Law Center (J.D., 1973). He is married, has two children, and resides in Rockville, Md. He was born October 11, 1947, in Ashtabula, Ohio.

Appointment of Three Members of the Advisory Committee for Trade Negotiations

April 12, 1983

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Negotiations for terms of 2 years:

John Turner Dailey will succeed Lee L. Morgan. He serves as president of Escondido Sand and Gravel Works, Dailey Enterprises, and Dailey International Air Service. Previously he was president, International Chemicals Division, Chemitron Corp., and a member of the board of directors of Morimura-Chemetron, Tokyo, Japan, in 1973–1977; executive vice president and general manager of Tassette Corp. in 1968–1972; and vice president of Occidental Oil, International, in 1967–1968. He is married, has two children, and resides in Escondido, Calif. He was born September 16, 1927, in Terre Haute, Ind.

Leonard A. Lauder will succeed Rudolph A. Oswald. Since 1972 he has served as president and chief executive officer of Estée Lauder, Inc. He joined the company in 1958 and was elected executive vice president in 1962. He is

vice president of the Whitney Museum of American Art and a trustee of the Museum of Modern Art in New York City. He also serves as secretary-treasurer of the Lauder Foundation. He graduated from the University of Pennsylvania (B.S., 1954) and attended Columbia University Graduate School of Business. He is married, has two children, and resides in New York City. He was born March 19, 1933, in New York, N.Y.

Vincent D. McDonnell will succeed Glenn B. Watts. He is a partner in the law firm of Shea & Gould in New York, N.Y. He is also director of the Corsi Labor Management Relations Institute at Pace University and serves as adjunct professor at New York Law School. He is contract arbitrator for the New York City Theatres and Musicians Union. He served as chairman of the New York State Mediation Board in 1962–1977. He graduated from New York University (B.S., 1947) and New York University Law School (J.D., 1950). He is married, has four children, and resides in New York City. He was born December 10, 1918, in New York, N.Y.

Toasts of the President and Sultan Qaboos bin Said of Oman at the State Dinner

April 12, 1983

The President. Good evening, and welcome to the White House. Tonight we honor His Majesty Sultan Qaboos bin Said, Sultan of Oman.

Some time ago the Queen of England awarded him the Knight Grand Cross of St. Michael and St. George on an order that was founded in 1818 with the motto: "Token of a better age." Well, Your Majesty, after spending time with you today and discussing serious matters of concern to both our nations, I can fully appreciate why our cousins in Great Britain paid you that compliment.

Those ancient orders of chivalry, however, tend to associate grace, decency, and other majestic qualities with the past, often the very distant past. But here, Your Majesty, on this side of the Atlantic we look for such traits in those around us because we seek first and foremost to build a better tomorrow. And it's clear that leaders like yourself—proud, yet humane individuals—will, indeed, make tomorrow a better age for mankind.

In my welcoming remarks this morning, I touched on a few of your many wonderful accomplishments. These were not products of a faint heart or indecision. Modern education systems, sophisticated health organizations, the infrastructure for economic progress don't just spring into existence, especially in so short a time. These advances are the result of hard work and good government. They reflect on extraordinary level of leadership; they reflect values which are deeply cherished here and reaffirm our high regard for the people of Oman and for you as an individual.

The Sultan's enthusiasm for building a well-functioning, modern country is a legend, but how many are aware of his enthusiasm for horses? Your Majesty, you probably know I enjoy riding, myself. With all your pressing responsibilities, I'm sure you agree that there is nothing so good for the inside of a man as the outside of a horse. [Laughter] I also understand you

have an appreciation for Gilbert and Sullivan, an interest that's shared by many here in America. Well, we can all be grateful that the Sun will never set on Gilbert and Sullivan.

But as much as Americans admire and identify with horsemanship and music, Your Majesty, we revere your personal courage and commitment even more. We're keenly aware that the progress you've made for your people was done in spite of a Communist-inspired, externally supported insurrection early in your reign. But you are not a man who is easily deterred.

In an interview you said, "I go everywhere. I drive my own car. I usually like to drive in the first car of a convoy, because that way I can see more of my people and my country. And that's what I live for, and that's what I will die for."

Your Majesty, I salute you. The American people are lucky to have you as a friend and proud to stand side by side with the people of Oman.

Thank you. God bless you.

The Sultan. Mr. President, Mrs. Reagan, honored guests:

I have been deeply touched by the warmth of the welcome you have extended to me this evening and by the generous words of appreciation with which you have referred to my country.

It is, indeed, a pleasure for me to visit your great city of Washington again. And this time to do so as a formal expression of the friendship and understanding which exists between our two countries.

As I am sure you are aware, the past decade has made heavy demands on Oman. Not only have the most sustained and intensive efforts had to be made in our determination to provide a better life for our people, but at the same time, we have fought to preserve our independence from foreign-inspired aggression.

Today, happily, that aggression has been defeated, and great strides have been made in the improvement of the quality of life of

our people. But we are under no illusions. We realize that the important geopolitical position we occupy at the mouth of the gulf and the unstable situation that exists in the region make it imperative that we develop our country and its defenses to the maximum of our ability. This we are doing and shall continue to do.

We do not expect others to shoulder these burdens for us. We fight our own battles. But we realize that in the present state of the world no country can act in isolation, that a concerted effort must be made by the free world if freedom itself is not to be extinguished. We, therefore, look to our friends for their support, just as we offer ours to them in the trials and dangers that jointly face us. This is, therefore, Mr. President, why I particularly welcome this opportunity to acknowledge the valuable contribution which the United States has made and continues to make to the development and the interests of Oman.

The expert technical and other resources upon which we have been able to draw and the sustaining good will with which they have been provided has been of the greatest assistance in the work to improve the quality of life of my people and to safeguard the independence and territorial in-

tegrity of our country.

Mr. President, the inescapable burdens which lie upon your great country are, indeed, heavy. But your untiring work for peace and your active concern for the oppressed and underprivileged in this troubled world command the respect and admiration of all who place the destiny of humanity above cynical, political manipulation and exploitation. In this, your continued search for an acceptable and honorable solution is vital if the dangerous and intractable situation in the Middle East is to be resolved honorably and finally.

I have welcomed the opportunity to discuss this and other matters of mutual concern with you. And I believe that our frank and constructive exchange of views has made a real contribution to an understanding of the problems which face our two countries and has been a positive step towards their solution.

Mr. President, I should like to assure you that you have Oman's sympathetic support and understanding in the great work for peace and humanity of which you are engaged.

Thank you.

Note: The President spoke at 9:41 p.m. in the State Dining Room at the White House.

Message on the Observance of National Volunteer Week *April 13, 1983*

The greatness of America lies in the ingenuity of our people, the strength of our institutions, and our willingness to work together to meet the nation's needs.

Each year nearly a hundred million Americans help their neighbors through volunteer service, carrying on a tradition established in the earliest days of our Republic.

This eagerness to solve problems through the creativity and the initiative of the private sector has been instrumental in our nation's advancement. Indeed, distinguished volunteer service has become such an integral part of our way of life that it

sometimes does not receive the recognition it deserves.

It is important that the private sector assume a more active role in solving community problems. In this way the proper balance between private and public responsibility can be restored. The White House Office of Private Sector Initiatives is encouraging such support. Working together, government and the private sector can accomplish far more than either working alone.

In saluting the spirit of voluntarism during National Volunteer Week, I urge all Americans to exercise their rights and re-

sponsibilities to help build a better life for everyone.

Volunteers *do* make a difference.

RONALD REAGAN

Remarks at the Presentation Ceremony for the President's Volunteer Action Awards

April 13, 1983

Thank you very much. Thank you. That's a reversal of what should be going on. I should be applauding all of you.

Well, a warm welcome to you all.

I don't know how many of you stayed up the other night to watch the Academy Awards. I broke a rule and stayed up past midnight. They never called my name. [Laughter]

But at this luncheon today, we're holding our own version of the Academy Awards for volunteer action. And the difference is that for today's awards, the American people are the winners. And that's because, thanks to the efforts and endeavors of our recipients, America's a better and a more generous land.

And we're finally starting to recognize the importance of our volunteers. I'm pleased to announce today that the theme of the 1984 Pasadena Tournament of Roses parade will be "A Salute to the Volunteer." So let me congratulate Don Judson, the volunteer president of the tournament, for letting me make that announcement.

The historian, Daniel Boorstin, has explained how this continent was settled. And although he may not have realized it, he also explained the motivation behind our award winners. He wrote, "Groups moving westward organized into communities in order to conquer great distances, to help one another drag their wagons uphill or across streams, and for a hundred other purposes. They dared not wait for government to establish its machinery. If the services that elsewhere were performed by government were to be performed at all, it would have to be by private initiative."

Well, this frontier spirit made them a strong and a self-reliant people. And that's the attitude of our winners. They don't make excuses; they make headway.

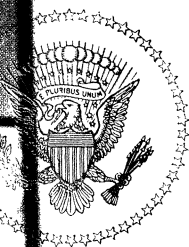
And I wish we had time so I could explain in detail what each of our 20 recipients has accomplished and what each has given to the Nation. They are marvelous, inspiring, and unselfish stories. For example, the retired members of King County Labor Council in Seattle, Washington, provide assistance to low-income elderly in the area. They repair plumbing and electrical wiring, replace faulty steps, patch leaking roofs. In fact, while they're here, I wonder—I've got a leak problem myself. [Laughter]

Another recipient is Chicago's Dr. Hieu, who has helped over a thousand Indochinese refugees in Illinois learn English, adjust to our culture, and find employment. Now, these new Americans couldn't have had a better example of what being an American means than Dr. Hieu, in helping them.

Candy Lightner founded MADD, Mothers Against Drunk Drivers, after one of her own twin daughters was killed in an auto accident caused by a drunk driver. I know the award that we're bestowing today can't match the fulfillment that the members of MADD must feel in having saved lives, nor should it. But the award is the Nation's way of recognizing your humanitarian contributions and all of our recipients' contributions.

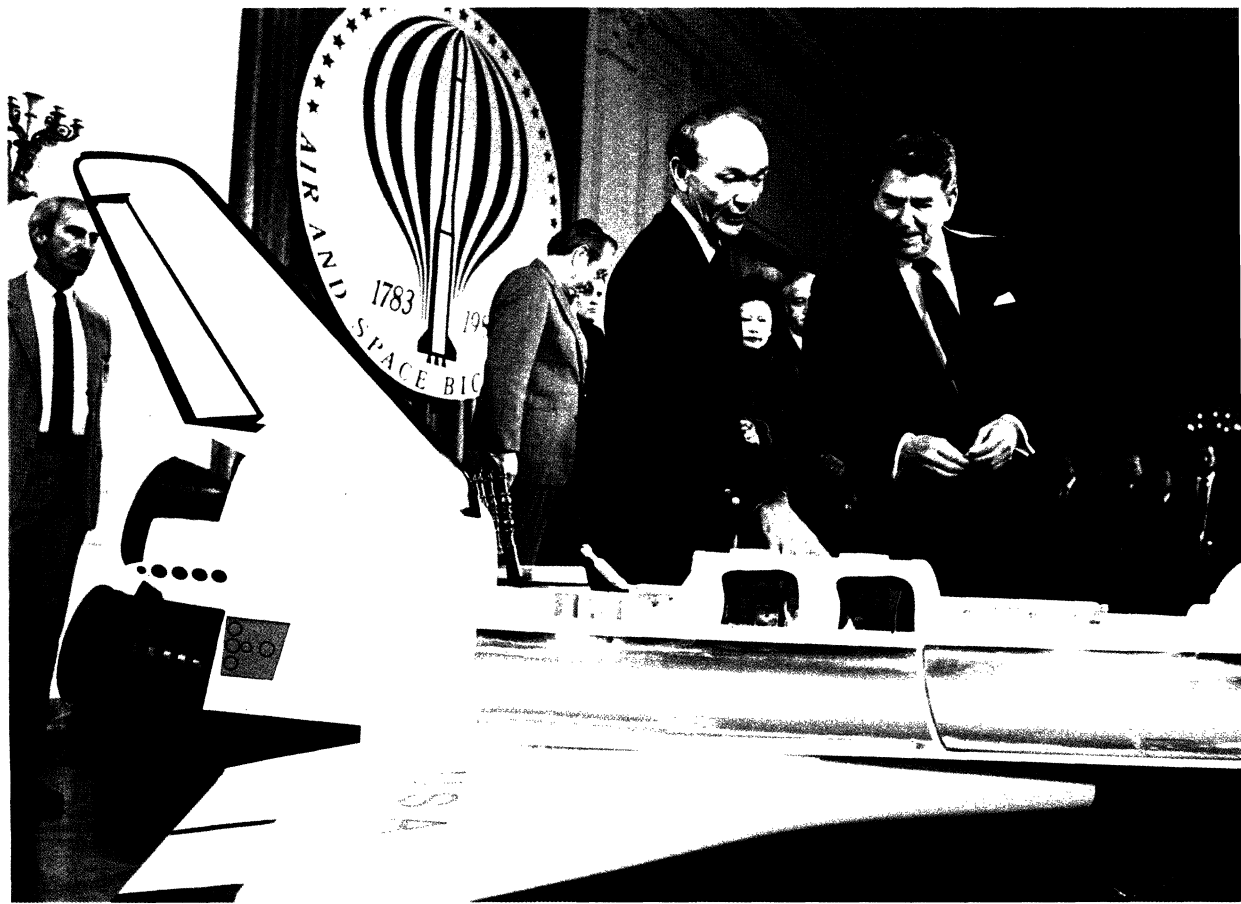
I'm told there's a German saying: "Two chambers hath the heart, there dwelling live joy and pain apart." Well, our recipients today know both the chambers. Yes, you know the pain of the world, and that's what motivates you, but you also know the joy of helping and the deep sense of fulfillment that flows from such voluntary giving. By your generous, unselfish deeds, you dwell in all our hearts. These awards are a token of our gratitude.

Photographic Portfolio



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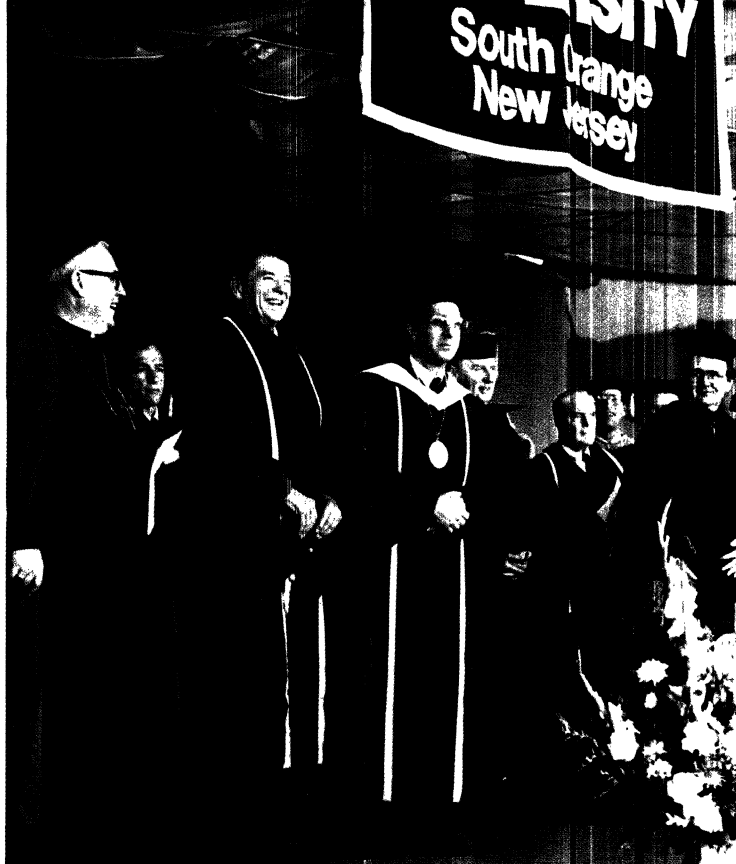


Overleaf: Returning from a trip to New York on board Air Force One, with Naval Aide Sutton and Assistant to the President and Deputy Press Secretary Speakes, April 27. **Above left:** Inspecting a model of the space shuttle *Columbia* with *Apollo 7* astronaut Michael Collins during a ceremony in the East Room commemorating the bicentennial year of air and space flight, February 7. **Below left:** During a performance celebrating the 25th anniversary of the Country Music Association at Constitution Hall, March 16. **Above:** Signing the Social Security Amendments of 1983 on the South Lawn, April 20. **Right:** With Queen Elizabeth II of the United Kingdom at a dinner honoring the Queen in San Francisco, Calif., March 3.





Left: With the Vice President at a ceremony proclaiming National Amateur Baseball Month on the South Lawn, May 11. **Below left:** At Cinco de Mayo ceremonies in San Antonio, Tex., May 5. **Right:** Participating in commencement exercises at Seton Hall University in South Orange, N.J., May 21. **Below:** Visiting La Esquina de Tejas Restaurant in Miami, Fla., May 20.









Before I present the awards, however, let me thank the National Center for Citizen Involvement and ACTION Advisory Council, as well as the corporate and foundation sponsors for helping to make these honors possible. Bill Verity is sitting there at my table and was the head for a year of the task force that I think did a great deal to inspire and reinvigorate what has been for so many years a tradition of America, and that is, doing things in a neighborly way, not expecting officialdom to come in and do it for you, and appreciate it.

And there's another fellow there that I'd just like to have him stand for a second after I tell something. Over a year ago in Chicago I visited a school, and it was a very unusual school. It was a school that was supposed to close its doors. But its principal lived in the school and refused to give up. And I visited that school down in one of the hardest-hit areas of south Chicago and saw these young people in that school and their spirit and their pride, even though the plaster was peeling off the walls. And it was impossible to believe how they could keep it going. The teachers were giving themselves to the point that when lunchtime came, they were handing out and serving the food in addition to teaching their classes and all. And I was so carried away with what I had seen and the determination of all of them to keep this school opened, that I made a phone call before I left Chicago to Clem Stone—one phone call. And a little less than a year later, I revisited that school—no broken plaster, a board of governors that read like the Who's Who of the City of Chicago. And Clem Stone, after one phone call, had set them up. They have a scholarship fund. Every graduate of that school last year moved on to college.

Clem, just let them see you for a second. He's lived in fear ever since, because he thinks I might make another phone call—[laughter]—and this time it would have to

do with the deficit. [Laughter]

Well, now, if Governor George Romney and Tom Pauken would come up here and please help in assisting in the handing out of these awards.

All right. I'll relinquish this to you and—I've got a chalk mark over here. [Laughter]

Note: The President spoke at 1:03 p.m. in the East Room at the White House following a luncheon honoring the recipients.

Following the President's remarks, Thomas W. Pauken, Director of ACTION, read the citations for each award, and the President presented each recipient with a silver medal.

The 1983 recipients were the Hispanic Women's Council (Los Angeles, Calif.); Operation California, Inc. (Beverly Hills, Calif.); Mothers Against Drunk Drivers (Fair Oaks, Calif.); Infant Hearing Assessment Program Volunteers (Concord, Calif.); Thomas W. Dibblee, Jr. (Santa Barbara, Calif.); Audrie Megregian (Cocoa Beach, Fla.); Dr. Joseph Nguyen-Trung Hieu (Chicago, Ill.); Elizabeth O'Donnell (Chicago, Ill.); Volunteer Illini Projects (Urbana, Ill.); Honeywell Corp. (Minneapolis, Minn.); Friends of Handicapped Readers (Jackson, Miss.); Alcoholics Anonymous (New York, N.Y.); Jeremiah Milbank (New York, N.Y.); Lupe Anguiano (Staten Island, N.Y.); Oregon Food Share (Portland, Oreg.); Frank Ferree (Harlingen, Tex.); Mayor's Task Force, Frito-Lay, Inc. (Dallas, Tex.); Esther R. Schaeffer (Great Falls, Va.); Little Town Players (Bedford, Va.); and the AFL-CIO King County Labor Council of Washington Labor Agency Union Retirees Resources Division (Seattle, Wash.).

The program is a cooperative effort between the private sector and government. It is cosponsored by VOLUNTEER: The National Center for Citizen Involvement, a private, nonprofit organization, and ACTION.

Appointment of Lloyd M. Taggart as a Member of the President's Committee on the Arts and the Humanities

April 13, 1983

The President today announced his intention to appoint Lloyd M. Taggart to be a member of the President's Committee on the Arts and the Humanities. He will succeed Sidney Brody.

Mr. Taggart is serving as president of the Taggart Trust in Las Vegas, Nev., and of Modelage, S.A., in Mesa, Ariz. Previously he was president of Great Films, Inc., in San

Francisco, Calif., in 1973-1975. He is a member of the board of the Nevada Museum of Fine Art and of the Nevada Dance Theater.

He graduated from Brigham Young University (B.S., 1968). He is married, has six children, and resides in Las Vegas, Nev. He was born July 14, 1944, in Cody, Wyo.

Appointment of William Offutt Doub as United States Representative to the Southern Interstate Nuclear Board

April 13, 1983

The President today announced his intention to appoint William Offutt Doub to be Representative of the United States to the Southern Interstate Nuclear Board. He will succeed Sterling Cole.

Mr. Doub is a principal in the law firm of Doub and Muntzing, which he formed in 1977. Previously he was a partner in the law firm of LeBoeuf, Lamb, Leiby and MacRae. He was a member of the U.S. Atomic Energy Commission in 1971-1974. He served as a member of the Executive Advisory Committee to the Federal Power Commission in 1968-1971 and was appointed by the President of the United States to the President's Air Quality Advisory Board in 1970.

He is a member of the American Bar Association, Maryland State Bar Association, and Federal Bar Association. He is immediate past Chairman of the U.S. National Committee of the World Energy Conference and a member of the Atomic Industrial Forum. He currently serves as a member of the nuclear export policy committees of both the Atomic Industrial Forum and the American Nuclear Energy Council.

Mr. Doub graduated from Washington and Jefferson College (B.A., 1953) and the University of Maryland School of Law in 1956. He is married, has two children, and resides in Potomac, Md. He was born September 3, 1931, in Cumberland, Md.

Appointment of Three Members of the Advisory Committee for Trade Negotiations

April 13, 1983

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Negotiations for terms of 2 years:

F. Keith Adkinson will succeed Albert H. Quie.

He is managing partner for the law firm of Adkinson & Lebow in Washington, D.C. Previously he was with the law firm of Seyfarth, Shaw, Fairweather & Geraldson in Washington, D.C. He graduated from the University of Virginia (B.A., 1966) and the University of Virginia

Law School (J.D., 1969). He is married, has one child, and resides in Harpers Ferry, W. Va. He was born May 26, 1944, in Brooklyn, N.Y.

Philip Caldwell will be reappointed. He has been with Ford Motor Co. since 1953 and currently serves as chairman of the board of directors and chief executive officer. He was designated deputy chief executive officer and named president in 1978. He became chief executive officer in 1979 and assumed his present position on March 13, 1980. He graduated from Muskingum College (B.A.) and Harvard Graduate School of Business Administration. He is married, has three children, and resides in

Bloomfield Hills, Mich. He was born March 14, 1925, in Detroit, Mich.

Robert P. Visser will succeed Kenneth Dale Naden. He is president and chief executive officer of Vistra International, Inc., in Washington, D.C. Previously he was a partner in the law firm of Peabody, Rivlin, Lambert & Meyers in 1980–1982. He graduated from the City College of the City University of New York (B.S., 1963) and the George Washington University National Law Center (J.D., 1966). He is married, has three children, and resides in Vienna, Va. He was born October 7, 1940, in New York, N.Y.

Appointment of Two United States Commissioners of the Kansas-Oklahoma-Arkansas River Commission

April 13, 1983

The President today announced his intention to designate the following individuals to be United States Commissioners on the Kansas-Oklahoma-Arkansas River Commission:

Richard W. Soudriette will succeed Trigg Twichel. Since 1978 he has been serving as administrative assistant to the mayor of the city of Tulsa. Previously he was administrative assistant to the Commissioner of Waterworks and Sewerage for the city of Tulsa in 1977–1978 and planning analyst for the Community Development Department in 1977. He graduated

from the University of Tulsa (A.B., 1975) and the University of Oklahoma (M.A., 1976). He resides in Tulsa and was born January 28, 1953.

David John Heinemann will succeed Victor B. Jaeggli. He has been in the general practice of law with the firm of Heinemann & Quint in Garden City, Kans., since 1973. Previously he was research assistant in the Governmental Research Center at the University of Kansas in 1967–1968. He graduated from Augustana College (1967) and Washburn University School of Law (J.D., 1973). He is married, has two children, and resides in Garden City, Kans. He was born July 18, 1945, in West Point, Nebr.

Proclamation 5048—Imports of Products From Poland

April 14, 1983

Modification of Proclamation No. 4991 Regarding Suspension of the Application of TSUS Column 1 Rates of Duty to Products of Poland

By the President of the United States of America

A Proclamation

By Proclamation No. 4991 of October 27, 1982, the President suspended the application of the rates of duty provided for in column 1 of the Tariff Schedules of the

United States (TSUS) to products of Poland. Proclamation No. 4991 is effective with respect to articles exported on and after November 1, 1982.

Taking into account the factors cited in Proclamation No. 4991 and in order to alleviate unnecessary hardships to United States companies that entered into contracts before the decision to suspend most-favored-nation treatment for products of Poland was announced, I find it appropriate to amend Proclamation No. 4991 to permit

articles that are exported to a consignee in the United States before June 30, 1983, pursuant to written and binding contracts to purchase executed on or before October 9, 1982, to enter at the column 1 rate of duty.

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States including, but not limited to, the Trade Expansion Act of 1962, and the Trade Act of 1974, as amended, do proclaim that paragraph 3 of Proclamation No. 4991 of October 27, 1982, is hereby amended to read as follows:

“(3) This Proclamation shall take effect with respect to articles exported on and after November 1, 1982, other than articles exported prior to June 30, 1983, to a con-

signee in the United States pursuant to a written and binding contract to purchase which was executed on or before October 9, 1982, provided that a copy of such contract is presented to the United States Customs Service on or before May 31, 1983 and the importer or consignee in the United States certifies that the articles are exported pursuant to that contract.”

In Witness Whereof, I have hereunto set my hand this 14th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:52 a.m., April 14, 1983]

Proclamation 5049—American Indian Day, 1983 April 14, 1983

*By the President of the United States
of America*

A Proclamation

The story of the Indian in America is a record of endurance, of survival, of adaptation and creativity in the face of overwhelming obstacles. It is a record of enormous contributions to this country—to its art and culture, its strength and spirit, its sense of history, and its sense of purpose.

When European settlers began to develop colonies in North America, they entered into treaties with sovereign Indian nations. Our new Nation continued to enter into treaties with Indian tribes on a government-to-government basis. Throughout our history, despite periods of conflict and shifting national policies in Indian affairs, the government-to-government relationship between the United States and Indian tribes has endured. The Constitution, treaties, laws, and court decisions have consistently recognized a unique political relationship between Indian tribes and the United States.

In 1970, President Nixon announced a na-

tional policy of self-determination for Indian tribes. At the heart of the new policy was a commitment by the Federal government to foster and encourage tribal self-government.

As set forth in the message on Indian policy of January 24, 1983, this Administration honors the commitment made in 1970 to strengthen tribal governments and lessen Federal control over tribal government affairs. To further the principle of self-government, we will encourage the political and economic development of the tribes by eliminating excessive Federal regulation and government intervention, which in the past have stifled local decision-making, thwarted Indian control of Indian resources, and promoted dependence rather than self-sufficiency.

In promoting effective self-government and a more favorable environment for the development of healthy reservation economies, we will take a flexible approach which recognizes the diversity among tribes and the right of each tribe to set its own priorities and goals. The tribes, not the Federal government, will chart the path of their

own development. In support of this policy, the Federal government will faithfully fulfill its responsibility for the physical and financial resources it holds in trust for the tribes and their members.

In recognition of the unique status and contribution of the American Indian peoples to our Nation, the Congress of the United States, by House Joint Resolution 459 (P.L. 97-445), has authorized and requested the President to issue a proclamation designating May 13, 1983 as "American Indian Day."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim May 13, 1983 as American

Indian Day. I invite the people of the United States to observe this day with appropriate ceremonies and deeds and to reaffirm their dedication to the ideals which our first Americans subscribe.

In Witness Whereof, I have hereunto set my hand this 14th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:53 a.m., April 14, 1983]

Appointment of Lawrence F. O'Donnell as United States Representative to the Western Interstate Nuclear Board *April 14, 1983*

The President today announced his intention to appoint Lawrence F. O'Donnell to be the Representative of the United States on the Western Interstate Nuclear Board. He would succeed Jack Westland.

Mr. O'Donnell is president and founder of Senior Policy Associates, Inc., a consulting firm. Previously he was director of public affairs, director of advanced planning, and assistant to the president at Gen-

eral Atomic Co. in San Diego, Calif. (1972-1982). He was Special Assistant to the Commissioner of the U.S. Atomic Energy Commission in 1966-1972.

He graduated from Harvard College (A.B.) and attended Harvard Graduate School of Arts and Sciences. He is married, has six children, and resides in La Jolla, Calif. He was born August 2, 1928, in Taunton, Mass.

Appointment of Kenneth T. Wright as United States Commissioner of the Bear River Commission *April 14, 1983*

The President today announced his intention to appoint Kenneth T. Wright to be United States Commissioner on the Bear River Commission. He will succeed Wallace N. Gibson.

Mr. Wright is a partner in the firm of Menaker, Dangerfield & Wright (advertising/product development) in Chicago, Ill. In addition, he is a ranch owner and operator in Island Park, Idaho. Previously he was

a partner in the firm of Wainwright, Smyth & Wright in 1970-1977 and was vice president and management director for Leo Burnett Co., Advertising in 1958-1970.

Mr. Wright graduated from Amherst College (B.A., 1952) and Stanford University (M.B.A., 1954). He is married, has four children, and resides in Kenilworth, Ill. He was born March 29, 1931, in Chicago, Ill.

Remarks to Organization of American States Ambassadors on Pan American Day *April 14, 1983*

Mr. Vice President, Your Excellencies, Ambassadors:

We've celebrated Pan American Day each year since 1931 to draw worldwide attention to the ideals of the Western Hemisphere. And let me say, after 52 years, these ideals are still worth celebrating and remembering.

This year, in addition, we celebrate the 200th anniversary of the birth of the great South American liberator Simón Bolívar. It was Bolívar's ideal of hemispheric cooperation that inspired the creation of the inter-american system. In a letter in 1824, Bolívar expressed his vision this way: "After 15 years of sacrifices devoted to the liberty of America and to obtain the system of guarantees that in peace and in war might be the shield of our new destiny, it is time now that the interests and the relations which unite the American republics have a fundamental base." Well, in the last half century, while other areas of the world have been convulsed in open strife, war between the countries of our hemisphere here have been uncommon.

The activities of the Organization of American States, moreover, reach beyond conflict resolution. They advance many fundamental goals of the nations of the Americas—justice under law, protection of human rights, and economic and social development. Democracy remains the basic bond of our nations. It is our people's permanent aspiration and, for most of them, their way of life. Two-thirds of the members of this organization govern themselves democratically. As you would agree, it is democracy that gives our people their dignity and hope for the future.

A little over a year ago, I had the privilege of appearing in the historic Hall of the Americas to speak about this dignity and this future and to propose a new initiative for the Caribbean Initiative—or Caribbean Basin, I should say. And just 2 weeks ago, we signed an important agreement which is part of that initiative.

In approving the fiscal year 1982 Caribbean Initiative supplemental appropriation of \$350 million, the Congress specified that a portion be set aside for training, part of which will be used for undergraduate scholarships. Because of the OAS fine record of technical cooperation, we've asked the OAS to administer a total of \$4.4 million, the largest share of scholarship funds. Although the amounts are modest, these scholarships will, through a combination of grants and interest-free loans, enable Caribbean students to study subjects crucial to development and democracy in their countries.

I look upon it as a small part of a broader initiative to strengthen freedom throughout the Caribbean Basin. It's one more example of the shared goals that inspired Bolívar and which today gives the inter-american system its force. And I now call upon Congress to act rapidly on the trade and tax portions of the CBI so that the entire bill will be in effect.

On this Pan American Day of 1983, would you all extend to your countrymen the warm greeting of the people of the United States and reaffirm our commitment to the spirit of Simón Bolívar and to solidarity among the peoples of the Americas.

On my trip to South and Central America and to the countries that I visited, I said to the heads of state that I met with there, called to their attention the fact that I have mentioned here about the great—no other section of the world has enjoyed the long term of peace that our countries have enjoyed in these two continents of the Western Hemisphere. And I pointed out that from pole to pole, we worship the same God; we have the same pioneer heritage of having come from mainly European sources to establish all of the nations here, and that it was time for all of us to do even a better job than has been done in the past of the development of not only the resources but the freedom of our people, maintaining the sovereignty of each individual nation, but showing a coalition dedicated to freedom

here in this Western Hemisphere. And what a force for good it could be if we could all see each other as partners equal in this effort. And it's my dream also that we continue that kind of a relationship and en-

hance it and improve it.

So, thank you very much.

Note: The President spoke at 3:34 p.m. in the Rose Garden at the White House.

Remarks and a Question-and-Answer Session With Reporters on Domestic and Foreign Policy Issues

April 14, 1983

U.S. Arms Control and Disarmament Agency Director

The President. I am deeply gratified by the United States Senate's confirmation today of Ambassador Kenneth Adelman to be Director of the Arms Control and Disarmament Agency. It's my earnest hope that this positive step will mark the beginning of a new, bipartisan consensus on the vital issue of nuclear arms reduction.

I'm convinced that Kenneth Adelman will prove that the confidence which the Senate has expressed in him today is well founded. Under his leadership, we can look forward to a reinvigorated Arms Control and Disarmament Agency that will make an important contribution to our arms reduction efforts.

As we seek equitable and verifiable agreements with the Soviet Union to reduce the arsenals and the risks of war, we will need the advice and support of the Congress. I'm confident that with full consultation with the Congress and the development of our arms reduction initiatives, the United States can continue to be a force for genuine peace and progress in the world. And if we're met with reciprocal seriousness of purpose from the Soviet Union, 1983 can be a year of historic importance in securing a more solid and stable peace through arms reductions.

Helen [Helen Thomas, United Press International]?

Nicaragua

Q. Mr. President, are we directly or indirectly supplying, arming, or training any insurgents—Nicaraguan insurgents—and if so, why?

The President. We are complying with the law, the Boland amendment, which is the law. We're complying with that fully. And in—

Q. Does that mean we are not arming or supplying any of the dissidents along the border, the Honduran border?

The President. I am not going to get—I could not and would not possibly talk about such things. But may I point out that this whole controversy over Nicaragua is ignoring some realities, that the Nicaraguan Government is a revolutionary government that took power by force, but with the promise of democratic elections, none of which have taken place. And all of this was under the previous administration. The previous administration, however, did recognize this government of Nicaragua, sought to help it with considerable financial aid, and withdrew that aid, long before we were here, when it became apparent that the government had become completely Marxist, had turned away and thrown out some of the democratic groups that had supported them and fought with them in the revolution to bring democracy to Nicaragua and were, then, no longer a part of the government.

But also the cutoff of funds was because the Nicaraguan Government had pledged to the United States that it would not attempt to overthrow any other governments in Central America, particularly El Salvador, by helping the insurgents there, the guerrillas, and they violated that promise. And they are still violating it.

And anything that we're doing in that area is simply trying to interdict the supply lines which are supplying the guerrillas in El Salvador. But the picture today is that

Nicaragua, with its protests that somehow someone is trying to overthrow them, it, as a revolutionary government, is trying to overthrow the government of a neighboring country, El Salvador, which was a duly elected government and which is going to hold another election before this year is out.

Q. But, Mr. President, what is the American public to think if Congressman Boland, who, as you know, is chairman of the House Intelligence Committee, says there's very strong evidence that we are violating the law? How do we clear this with the American people? Don't they have a reason, if a Congressman is saying that we're violating the law, that something's wrong—

The President. Well, maybe some of you people misled him.

Q. No, but he has access to intelligence information, to administration briefings.

The President. Yes.

Q. What's going on?

The President. And I think Secretary Shultz and our security adviser, Judge [Assistant to the President for National Security Affairs William P.] Clark, have both been talking to him. And you have seen the statement by Barry Goldwater of the Intelligence Committee that is absolutely positive that there is no violation of the law whatsoever. I think that when they pay a little more attention to this, they're going to find out we're not violating the law.

Let me do what I promised the other day and start with some of the people in the back of the room here.

Q. Mr. President, are you willing to say flatly that the United States is not engaging in any activities that a reasonable person could assume could be for the purpose of overthrowing the Nicaraguan Government?

The President. We are not doing anything to try and overthrow the Nicaraguan Government. As a matter of fact, let's put that in perspective for a moment.

Nicaragua today has created the biggest military force in all of Central America and large parts of South America—an army of some 25,000, backed by a militia of 50,000, armed with Soviet weapons that consist of heavy-duty tanks, an air force, helicopter gunships, fighter planes, bombers, and so forth, heavy artillery. And a few thousand Miskito Indians and guerrillas—I don't think

it's reasonable to assume that that kind of a force could nurse any ambitions that they can overthrow that government with that great military force. And I think that people should understand some of these things and ask themselves what is the need for them having the biggest army in all of the region.

There are—we are cooperating with the other Central American countries in the region to try and bring democracy and peace to Central America.

Q. Yes. Mr. President, this morning your Assistant Secretary of State for Inter-American Affairs, Mr. Enders, told the House Foreign Affairs Committee that there was a possibility Cuba or the Soviet Union may introduce high-performance aircraft or even Cuban troops into Nicaragua. Do you have any information about any impending possibility of this? And, if so, what would be the American response to that move?

The President. Well, no, I think—I'm not going to answer a hypothetical question with a hypothetical answer. And I only know that that possibility does exist, because the Soviet Union, by way of Cuba, has been engaged already. May I remind you that at the inauguration of the revolutionary government when it took over, Castro was present and a representative of the Soviet Union, and both of them openly hailed Nicaragua as the first Communist country on the mainland of the Western Hemisphere.

Q. Mr. President, could I ask a domestic question?

The President. What?

Q. Mr. President—

Q. Could I ask a question on a domestic issue?

The President. I'll get you next.

Q. Mr. President, considering what you've just said about Nicaragua and your past statements about how it is a staging area there, doesn't the United States want that government replaced? And is there anything that you feel that we should be doing within the law to have that government in Nicaragua replaced with a democratic one?

The President. We, of course, as I said—anything that we're doing is aimed at inter-

dicting these supply lines and stopping this effort to overthrow the El Salvador Government. But what I might personally wish or what our government might wish still would not justify us violating the law of the land.

Q. You're not doing anything to overthrow the government there?

The President. No, because that would be violating the law.

Employment

Q. Mr. President, you were successful in your efforts to get a job for Ron Bricker, the bold young man from Pittsburgh who gave you his résumé. I understand a lot of other unemployed steelworkers are now flooding the White House with requests for help. Are you planning to help get jobs for these other people, too?

The President. I haven't seen any of those résumés, if they've been sent or anything. I didn't know that. I know there's been talk about up here. If you'll remember, that day Mr. Bricker accosted me and handed me his résumé and asked me would I show it to anyone if I had the opportunity, that he was seeking work. And I said, yes, I would. I did. He's got a job.

Now, I didn't expect that all of the unemployed were suddenly going to ask me to be the employment agency individually for them. I think that'd be impossible. But at any time that I can be in any way of help in lining someone up with an employer who's looking for an employee, of course I'd do it, because I think it's a problem on all our minds. And I think—this digresses from your question, but I think we ought to recognize that throughout this country radio and TV stations that have held job-a-thons

have been successful in getting thousands of people put back to work. There are local groups and committees, including right there in Pittsburgh, that are doing the same thing in an effort to help stimulate and move faster, and they have to do it on a basis of individuals. And, we, of course, in our own legislation, with the so-called jobs bill, are doing our part here at the government level. But the main way they're going to go back to work is going to be with the recovery of the economy.

Now, Bill [Bill Plante, CBS News].

Ms. Thomas. Thank you, Mr. President.

Q. Mr. President, do the—

The President. Oh, I just recognized Bill.

Ms. Thomas. That's all right.

Q. Thank you so much.

Deputy Press Secretary Speakes. [Inaudible]

The President. Can I take his—

Ms. Thomas. He may. [Laughter]

Foreign Policy

Q. Let me ask you this, sir. Do the War Powers Act and the Boland amendment unduly restrict your authority as the Chief Executive? And would you like to see something done about it?

The President. Helen, I should have listened to you. [Laughter]

I think any legislation which restricts the relation—or confines itself to the relationship of a single country, our relationship with a single country, yes, is restrictive on the obligations that the Constitution imposes on the President.

Ms. Thomas. Thank you, Mr. President.

Note: The President spoke at 4:02 p.m. in the Briefing Room at the White House.

Nomination of Two Members of the Board of Directors of the African Development Foundation

April 15, 1983

The President today announced his intention to nominate the following individuals to be members of the Board of Directors of the African Development Foundation:

Patsy Baker Blackshear, for a term of 4 years.

This is a new position. She is assistant superintendent of the Budget Division for the D.C. Public Schools. She was national policy fellow, The Institute for Educational Leadership, George Washington University, in 1977–1978. She graduated from the University of Arkansas at Pine Bluff (B.S., 1968), the American University (M.A., 1972), and the University of Maryland (Ph. D., 1979). She is married and resides

in Annapolis, Md. She was born June 4, 1948, in Little Rock, Ark.

Chester A. Crocker, an Assistant Secretary of State (African Affairs), for a term of 2 years. This is a new position. Previously he was director of African Studies at Georgetown University's Center for Strategic and International Studies in 1976–1981. He graduated from Ohio State University (B.A., 1963) and Johns Hopkins University School of Advanced International Studies (M.A., 1965; Ph. D., 1969). He is married, has three children, and resides in Washington, D.C. He was born October 29, 1941, in New York City.

Accordance of the Personal Rank of Ambassador to Diana Lady Dougan While Serving as Coordinator for International Communication and Information Policy

April 15, 1983

The President today announced his intention to accord the personal rank of Ambassador to Diana Lady Dougan, of Utah, in her capacity as Coordinator for International Communication and Information Policy.

The Coordinator operates at the Assistant Secretary level and is located in the Department of State and reports to the Under Secretary of State for Coordinating Security Assistance Programs.

Mrs. Dougan will exercise overall coordinating responsibility within the Federal community for policy formulation and oversight. She will work closely with the Congress and serve as principal liaison with the private sector. Mrs. Dougan will also have major responsibilities for working with senior officials of foreign governments and international organizations.

Mrs. Dougan has served in a number of positions involving telecommunications policy, planning, and programing in both the public and private sector. She recently

served in her second Presidential appointment as a Director of the Corporation for Public Broadcasting in addition to her activities as a marketing and telecommunications specialist with Dougan & Associates of Salt Lake City. She has also contributed her services as producer for a number of television programs, including "The MX Debate," which in 1981 won the prestigious Peabody Award for excellence in broadcast journalism. For several years, Mrs. Dougan was CATV marketing and promotion director for TIME, Inc., in New York, where she also did freelance consulting and on-air work in both commercial and cable TV.

She is active nationally in a variety of public service and cultural endeavors, including the national advisory councils of the Center for the Study of the Presidency, Ballet West, the U.S. Committee of the International Institute of Communications, and the board of U.S. Film and Video. She is married to J. Lynn Dougan, an economist, and they have two children.

Remarks of the President and Chancellor Helmut Kohl of the Federal Republic of Germany Following Their Meetings *April 15, 1983*

The President. It was my pleasure today to host a luncheon and extensive meetings with Chancellor Kohl and other representatives of his government. Our discussions touched on a number of bilateral issues, as well as those general problems confronting our two powerful democratic nations.

As befits one who has just won an impressive election victory, Chancellor Kohl was very positive about the opportunities ahead. I share his optimism and look forward to continuing our close relationship.

The Chancellor and I have many things in common, not the least of which is a deep faith in the strength of Western values. We were able to approach our discussions with a shared appreciation for these values and with an understanding of the many traditions and common interests that link our two countries. The special ties between the German and American people will be expressed this year in the celebration of the tricentennial of German emigration to North America. And I'm especially pleased that President Carstens will be making this event—or marking it, I should say, with a state visit to our country in the fall.

During our discussion today we focused on issues likely to emerge during the Williamsburg Summit. And the Chancellor and I agree that we should seek a free and open exchange of views at Williamsburg, with our primary goal being the closest possible cooperation in tackling the problems facing the world economy. Both of us welcome the signs of economic upturn in our countries and will work to assure that recovery is strong and lasting.

We agree that it is vital that we vigorously seek a resolution of the trade problems between the United States and Europe and that protectionism be avoided. And we're happy with the steps we've made toward a common understanding concerning East-West economic relations.

Another subject of discussion today was the arms reduction negotiations between the United States and the Soviet Union. I

reiterated the United States' determination to achieve success in the START and INF talks in Geneva, and the Chancellor confirmed his strong endorsement of our negotiating strategy.

As leaders of our respective countries, we call on the Soviet Union to respond seriously to our proposals, proposals which, if given a chance, will strengthen peace and make all mankind a little safer.

We remain united in our commitment to continue on both tracks of the NATO decision of December 12th, 1979, including deployment of new weapons if continued Soviet intransigence makes this unavoidable.

I'm pleased, again, to have with us Chancellor Kohl.

The Chancellor. First of all, I'd like to thank you, Mr. President, for your invitation and the kindness and hospitality extended to us.

Our talk, in which Foreign Minister Genscher and our closest advisers participated, gave the President and myself an opportunity to continue our intensive and friendly dialog which we began when I became Chancellor of the Federal Republic of Germany last October. And I would like to take this opportunity once again, here in public, to express the gratitude for the very intensive and friendly consultations that have taken place since that time between our two governments.

We had a good, cordial, and open conversation among friends, about which I am highly pleased. This exchange has shown that beyond our personal understanding, German-American partnership rests on the broad basis of shared values and interests.

We discussed in depth and in great earnest the essential aspects of our joint peace and disarmament policy. In the course of this year, important issues are pending. We are profoundly interested in finding solutions to the issues at hand, if possible, in agreement with the East. And this includes the Geneva negotiations on U.S. and Soviet

intermediate-range missiles. We are agreed that the recent Western proposal offers the basis for flexible and dynamic negotiations. Given good will on both sides, it will be possible soon to achieve a balanced result. It is our belief that we have not heard yet the last word from the Soviet Union.

We discussed in detail the CSCE followup meeting in Madrid. We continue to strive for an early and substantial result, which would include an agreement on a conference on disarmament in Europe and make important gains in the area of human rights.

We also discussed the Vienna negotiations about mutual and balanced force reductions. We had extensive discussions about the whole field of East-West relations. And we are agreed that personal contacts with the leaders of the Soviet Union continue to be important.

We want to carry on our common efforts to arrive at constructive relations between East and West through dialog and cooperation wherever the Soviet Union makes this possible. We agreed on the need for continued efforts towards a common approach on East-West economic relations.

Another important subject we discussed was the preparation of the economic summit meeting to be held in Williamsburg at the end of May. In this context, we exchanged views about the economic developments in our two countries and about measures to promote economic recovery.

The summit meeting will provide us with an opportunity to intensify the emerging recovery of the international economy through close coordination. In this way we

will be able, immediately prior to the continuation of the North-South dialog of the UNCTAD Conference [United Nations Conference on Trade and Development] in Belgrade, to make a contribution towards solving the economic and social problems of the developing countries. Thus, we want to promote genuine independence and genuine nonalignment.

I came to Washington also in my capacity as President in the Office of the European Community. The President and I are agreed that the European Community and the United States together bear a great share of responsibility for the international economy. We are aware that the future development of relations between the United States and the European Community must, and will, live up to this responsibility.

I am leaving Washington firmly convinced that the quality of our relations will also include—should determine—our policy of safeguarding peace and, in particular, our common efforts to achieve progress in the Geneva negotiations.

I am leaving Washington with a certain feeling that I have been as a guest among friends.

Thank you very much.

Note: The President spoke at 1:27 p.m. to reporters assembled in the East Room at the White House. Chancellor Kohl spoke in German, and his remarks were translated by an interpreter.

Earlier in the day, the President and the Chancellor met in the Oval Office and then held a working luncheon, together with German and U.S. officials, in the Residence.

Proclamation 5050—Temporary Duty Increase and Tariff-Rate Quota on the Importation Into the United States of Certain Heavyweight Motorcycles

April 15, 1983

*By the President of the United States
of America*

A Proclamation

1. Pursuant to section 201(d)(1) of the

Trade Act of 1974 (the Trade Act) (19 U.S.C. 2251(d)(1)), as amended, the United States International Trade Commission (USITC) on February 1, 1983, reported to the President the results of its Investigation

No. TA-201-47 under section 201(b) of the Trade Act (19 U.S.C. 2251(b)). The USITC determined that motorcycles having engines with total piston displacement over 700 cubic centimeters, provided for in item 692.50 of the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202), are being imported into the United States in such increased quantities as to be a substantial cause of the threat of serious injury to the domestic industry producing articles like or directly competitive with the imported articles. The USITC recommended the imposition of additional ad valorem duties on imports of such motorcycles of: 45 percent in the first year, 35 percent in the second year, 20 percent in the third year, 15 percent in the fourth year, and 10 percent in the fifth year.

2. On April 1, 1983, pursuant to section 202(b)(1) of the Trade Act (19 U.S.C. 2252(b)(1)), and after taking into account the considerations specified in section 202(c) of the Trade Act (19 U.S.C. 2252(c)), I determined to impose the additional duties recommended by the USITC, but with tariff-rate quotas to assure small volume producers which have not contributed to the threat of injury continued access to the United States market. In order to treat Japan fairly, I determined to provide a tariff-rate quota also for articles from Japan. On April 1, 1983, in accordance with section 203(b)(1) of the Trade Act (19 U.S.C. 2253(b)(1)), I transmitted a report to the Congress setting forth the action I determined to take and the reason it differed from the action recommended by the USITC.

3. Section 503(c)(2) of the Trade Act (19 U.S.C. 2463(c)(2)) provides that no article shall be an eligible article for purposes of the Generalized System of Preferences (GSP) for any period during which such article is the subject of any action proclaimed pursuant to section 203 of the Trade Act (19 U.S.C. 2253).

4. Section 203(e)(1) of the Trade Act (19 U.S.C. 2253(e)(1)) requires that import relief be proclaimed and take effect within 15 days after the import relief determination date.

5. Pursuant to sections 203(a)(1), 203(e)(1), and 503(c)(2) of the Trade Act (19 U.S.C.

2253(a)(1), 2253(e)(1), and 2463(c)(2)), I am providing import relief through the temporary increase of import duties imposed in the form of tariff-rate quotas, and the suspension of GSP treatment, on certain motorcycles, as hereinafter proclaimed.

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including General Headnote 4 of the TSUS, sections 203, 503, and 604 of the Trade Act (19 U.S.C. 2253, 2463, and 2483), and in accordance with Article XIX of the General Agreement on Tariffs and Trade (GATT) (61 Stat. (pt. 5) A58; 8 UST (pt. 2) 1786), do proclaim that—

(1) Part I of Schedule XX to the GATT is modified to conform to the action taken in Annex I to this proclamation.

(2) Subpart B, part 6 of schedule 6 and subpart A, part 2 of the Appendix to the TSUS are modified as set forth in Annex I to this proclamation.

(3)(a) Annex II of Executive Order No. 11888 of November 24, 1975, as amended, listing articles that are eligible for benefits of the GSP when imported from any designated beneficiary developing country, is amended by deleting item 692.50 and substituting item 692.53, as added by Annex I to this proclamation, in lieu thereof.

(b) In order to restore GSP treatment for the motorcycles subject to import relief, Annex II of Executive Order No. 11888 of November 24, 1975, as amended, is further amended by inserting in numerical sequence item 692.52, as added by Annex I of this proclamation, effective upon the termination of the import relief proclaimed herein or of any period of extension of such relief.

(4) In order to provide staged reductions in the rates of duty for those new TSUS items created by Annex I(b) to this proclamation, Annex III to Presidential Proclamation 4707 of December 11, 1979, as amended, is further amended by Annex II to this proclamation, attached hereto and made a part thereof.

(5) Whenever the column 1 rate of duty in the TSUS for any item specified in Annex I(b) to this proclamation is reduced to the

same level as, or to a lower level than, the corresponding rate of duty inserted in the column entitled "LDDC" by Annex I(b) of this proclamation, the rate of duty in the column entitled "LDDC" for such item shall be deleted from the TSUS.

(6) With the exception of paragraph (3)(b), this proclamation shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after April 16, 1983, and before the close of April 15, 1988, unless the period of its effectiveness is earlier expressly modified or terminated.

(7) The Commissioner of Customs shall take such action as the United States Trade

Representative shall direct in the implementation and administration of the import relief herein proclaimed.

In Witness Whereof, I have hereunto set my hand this 15th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:31 p.m., April 15, 1983]

Note: The annexes are printed in the Federal Register of April 19, 1983.

Proclamation 5051—National Mental Health Week, 1983 April 15, 1983

*By the President of the United States
of America*

A Proclamation

Mental illness costs this Nation more than \$50 billion a year and contributes to declining productivity and rising health costs. Approximately 35 million people a year suffer from a diagnosable mental disorder. In addition, millions more seek professional assistance to alleviate the physical and emotional problems created by excessive stress.

These facts and figures, however, cannot describe the high cost in human suffering from mental illness. Incapacitation—most often temporary but permanent for some—may result from severe depression, crippling anxieties, or other manifestations of mental disorders. Yet public fear and misunderstanding of their illnesses place additional burdens on the afflicted and their families.

It is important that the public understand that major advancements brought about by science have made mental illnesses and

stress-related disorders greatly amenable to treatment. New technologies have added significantly to the numbers of patients who have improved or recovered following treatment and promise further advances.

In recognition of the importance for our Nation of the treatment, care and support for the mentally ill provided by health professionals, volunteers, and family members, the Congress, by Senate Joint Resolution 52, has authorized and requested the President to issue a proclamation designating the week of April 10 through April 16, 1983, as National Mental Health Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning on April 10, 1983, as National Mental Health Week. I call upon health professionals, educators, communications media, the business community, individuals, and public and private organizations concerned with the welfare of their fellow citizens to seek and encourage better understanding of mental dis-

orders and to honor those whose studies, treatment, and support have brought palpable gains and welcome hope to the mentally ill.

In Witness Whereof, I have hereunto set my hand this fifteenth day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of

the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:32 p.m., April 15, 1983]

Proclamation 5052—Law Day U.S.A., 1983 *April 15, 1983*

By the President of the United States of America

A Proclamation

Our Founding Fathers were guided by a belief in the dignity of the individual when they framed our system of government. The Constitution and the Bill of Rights guarantee the blessings of liberty to all, regardless of race, religion, or national origin. These cherished documents bequeath to all Americans the right to equal justice under law and the means to safeguard this right through the legal system.

Today marks our Nation's twenty-sixth annual celebration of Law Day, a day set aside for all Americans to reflect on our legal heritage, the rights we enjoy under our democracy, and the role of law in our society. The theme of this year's Law Day observance is "Sharing in Justice," highlighting both the rights and the responsibilities of each citizen as a participant in shaping and protecting our laws and system of justice.

Each new generation of Americans inherits as a birthright the legal protections secured, protected, and expanded by the vigilance and sacrifice of preceding generations. These rights—freedom of speech, trial by jury, personal liberty, a representative and limited government, and equal protection of the laws, to name but a few—give every citizen a vested interest in American justice.

Active participation in our system serves to protect these interests and preserve them for future generations. It is participation that begins in our own neighborhoods, at town meetings, and during open sessions of city government. Meaningful sharing and participation in our system of justice must

start where one is affected most: close to home. This is the basis and strength of our Federal system. Sharing in justice also means working for objectives within the legal system, voting thoughtfully and intelligently, expressing views to our elected representatives, serving as jurors, and volunteering to make our neighborhoods, schools, and communities better places for all. The continuous involvement of the people with all levels of government makes our system of justice work.

Now, Therefore, I, Ronald Reagan, President of the United States of America, in accordance with Public Law 87-20 of April 7, 1961, do hereby proclaim Sunday, May 1, 1983, as Law Day U.S.A., and I invite the American people to observe this event with programs emphasizing the need for each citizen to share and participate in our system of justice.

I call upon the legal profession, schools, civic, service, and fraternal organizations, public bodies, libraries, the courts, all media of public information, business, the clergy, and all interested individuals and organizations to focus attention on our Nation's dedication to justice. I also call upon all public officials to display the flag of the United States on all government buildings open on Law Day, May 1, 1983.

In Witness Whereof, I have hereunto set my hand this 15th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:33 p.m., April 15, 1983]

Appointment of Three Members of the Supplemental Health Insurance Panel

April 15, 1983

The President today announced his intention to appoint the following individuals to be members of the Supplemental Health Insurance Panel:

Don H. Miller will succeed Susan M. Mitchell. He currently serves as commissioner of the Indiana Department of Insurance. He was with the Local Finance Corp. from 1958 to 1975, serving as president, general manager, and director. He is married, has two children, and resides in Indianapolis, Ind. He was born September 12, 1915, in Huntington, Ind.

Joseph F. Murphy will succeed William H. L. Woodyard III. He is commissioner of insurance for the State of New Jersey. He served with the Continental Corp. in 1955–1980, beginning as counsel to the Continental Insurance Compa-

nies and retiring in 1980 as executive vice president of the Continental Corp. and the Continental Insurance Companies. He is married, has three children, and resides in Convent Station, N.J. He was born April 4, 1915, in White Plains, N.Y.

John C. Neff will succeed Roger C. Day. He is commissioner of the Department of Insurance for the State of Tennessee. He has served as financial vice president of American General Corp. of Houston, Tex., and as president and chief executive officer of Hospital Corporation of America of Nashville. He graduated from the University of Chicago (B.A., 1947; M.B.A., 1948). He is married, has four children, and resides in Nashville, Tenn. He was born March 19, 1924, in Chicago, Ill.

Radio Address to the Nation on Withholding Tax on Interest and Dividends

April 16, 1983

My fellow Americans:

Yesterday, April 15th, was tax day, and I know many of you are still recovering. So, I hate to mention taxes again, but there's something I think you should know. It's about misrepresentations surrounding the withholding tax on interest and dividends. People are being badly misled, and that misinformation shouldn't go unanswered.

Americans have been arguing over taxes ever since the Boston Tea Party more than 200 years ago, when an angry band of taxpayers dumped a shipload of tea into Boston Harbor. Well, in the spirit of the Boston Tea Party, I'd like to dump all the misinformation you've been getting on withholding taxes. In fact, I'd almost like to dump overboard some of those who've been spreading this misinformation and scaring people, especially our older citizens, many of whom have written me very frightened.

As you may recall, this whole business

started last summer when the Congress passed, and I signed, the law requiring banks and other financial institutions to withhold 10 percent on interest and dividend income.

This withholding, which starts this coming July, is not a new tax. I came to Washington to reduce taxes. And I can tell you, I wouldn't have signed the withholding law if it had been a new tax on our people. It's simply a more effective way of collecting tax money that's already owed, just as employers have been withholding taxes from our paychecks for almost 40 years, a procedure most wage earners accept as both fair and necessary.

What it really gets down to is this: Even in a law-abiding country like ours, there's still a minority of people out there who cheat on their taxes. Last year, Uncle Sam lost billions of dollars in taxes on unreported interest and dividend income. President Kennedy, back in 1961, said, "This is pa-

tently unfair to those who must, as a result, bear a larger share of the tax burden." Well, that was true then, and it's true now. I agree with what one editorial writer said about those who cheat. "When they don't pay their taxes, someone else does—you and me."

Withholding 10 percent on interest and dividends will allow the Internal Revenue Service to recover an estimated \$18 billion in otherwise lost revenues over the next 5 years—and that's without taxing honest taxpayers a penny more than they now pay.

Past experience has proven that withholding is by far the most effective means of combating those who don't pay their tax bill to the government. The only people who stand to lose under this law are those who haven't been paying their taxes in the first place, and what's wrong with that?

While I'm at it, let me expose a few of the myths which may be bothering some of you. First off, withholding will not place burdens on our older Americans or lower-income individuals. The vast majority of older Americans—85 percent—are exempted under the law. And to get that exemption, all they have to do is fill out a form no more complicated than a deposit slip. As for low-income individuals, anyone who paid \$600 or less in taxes last year, or married couples who paid under \$1,000, are exempt as well. In addition, everyone with small savings accounts with interest payments of \$150 or less are also exempt. So, for example, most kids' accounts wouldn't have withholding.

All of this raises an obvious question. If withholding is nothing more than a more effective collection method, what's all the controversy about? Well, some of the banking interests seem to think withholding will inconvenience them. But we've taken measures to make sure this changeover isn't burdensome. And as for savers, it will actually be a real convenience for many of them. For example, withholding will free many taxpayers from the chore of prepar-

ing quarterly tax payments. It will prevent other citizens from being faced with a substantial accumulated tax bill on April 15th. Most wage earners already prefer to have tax withheld from their paychecks, rather than having to come up with the whole bundle on that annual day of reckoning.

Some of the banks and savings and loans have said withholding will reduce the incentive to save. Well, that just doesn't make sense. Withholding will have a minimal effect on accrued interest. For example, the annual loss on a \$1,000 account, earning 9-percent interest, would be less than 50 cents. And such an account would be exempt anyway.

But I think most Americans would forgo the 50 cents if it meant others who are cheating on billions of dollars of unpaid taxes would have to pay their fair share.

The fact of the matter is that those already paying their taxes can get back all of the amount withheld by reducing their estimated tax payments or by adjusting the number of exemptions on their wage withholding.

Thanks to the pressure from a very busy lobby, however, the Congress is now considering repeal of withholding before it's even gone into effect. This would help no one who's doing their fair share, but it would let all those who are not paying their taxes on interest and dividends off the hook. So, I'm not about to let it happen. Rather than asking those who are paying taxes to pay more, I say that those who already owe taxes should pay them. And I'm carrying my veto pen right behind my ear. If the repeal passes the Congress, I'm all set to veto it, just as I am prepared to protect the July tax cut and indexing with a veto if necessary.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Statement on the United Nations Children's Fund *April 18, 1983*

For nearly a quarter of a century, the United States has generously offered resources and know-how to give a better, healthier life to ill and malnourished people throughout the world. Despite past efforts and progress by the United States and many other countries, the United Nations Children's Fund (UNICEF) recently reported that over 40,000 children in developing countries still die every day, victims of malnutrition and disease. This is a tragedy of global proportions and requires a global effort in response.

UNICEF is now pursuing a "health revolution" for children in developing countries that involves a new combination of technological and social approaches to health. It is estimated that this combination, coupled with networks of trained health workers backed by government services and international assistance, can save the lives of 20,000 children each day within a decade. Moreover, literally hundreds of millions of young lives would be healthier.

One technological achievement has been the development and distribution of an inexpensive home treatment for diarrhea, a major contributor to deaths among young children in developing countries. This treatment was developed after years of research in the International Center for Diarrheal Disease Research in Bangladesh. The

United States has contributed to that institution for more than 20 years. The World Health Organization has also been a focal point for international support and study of diarrheal diseases.

A second element is the development of low-cost vaccines which do not require refrigeration and which can be used in remote areas to protect children from such killers as measles, diphtheria, tetanus, whooping cough, polio, and tuberculosis.

Another factor is the promotion of breast feeding for its nutritional and hygienic value, as well as its immunological qualities. Still another is a simple infant weight chart kept by the child's mother which indicates a child's progress at monthly weighings, making malnutrition quickly detectable. Its design and use have been improved and tested in United States-supported maternal-child health programs around the world. UNICEF has found that a great portion of malnutrition cases are due to the problem going undetected rather than lack of food in the family.

The American people have always been in the vanguard of support for children's health and well-being. As President of the United States, I am asking the American people to help bring about a health revolution for children during the coming decade by supporting UNICEF's humanitarian program.

Statement on the Bombing of the United States Embassy in Beirut, Lebanon *April 18, 1983*

Let me begin with a brief statement. As you know, our Embassy in Beirut was the target this morning of a vicious, terrorist bombing. This cowardly act has claimed a number of killed and wounded. It appears that there are some American casualties, but we don't know yet the exact number or the extent of injury.

In cooperation with the Lebanese authorities, we're still verifying the details and identifying the casualties. I commend Ambassador Robert Dillon and his dedicated staff who are carrying on under these traumatic circumstances in the finest tradition of our military and foreign services.

Just a few minutes ago, President Ge-

mayel called me to convey on behalf of the Lebanese people his profound regret and sorrow with regard to this incident and asked me to relay the condolences on behalf of the people of Lebanon to the families of those victims. He also expressed his firm determination that we persevere in the search for peace in that region. And I told President Gemayel that I joined him in those sentiments. This criminal attack on a diplomatic establishment will not deter us from our goals of peace in the region. We will do what we know to be right.

Ambassadors Habib and Draper, who are presently in Beirut, will continue to press in negotiations for the earliest possible, total withdrawal of all external forces.

We also remain committed to the recovery by the Lebanese Government of full sovereignty throughout all of its territory. The people of Lebanon must be given the chance to resume their efforts to lead a normal life, free from violence, without the presence of unauthorized foreign forces on their soil. And to this noble end, I rededicate the efforts of the United States.

Note: The President read the statement at 11:50 a.m. to reporters and guests assembled in the Rose Garden at the White House for the Peace Corps awards presentation ceremony, which followed the President's statement.

Remarks at the Presentation Ceremony for the Peace Corps Awards April 18, 1983

The President. Thank you.

This morning, as we begin National Volunteer Week, I am very pleased to honor these six fine Americans who have volunteered their time, skills, and experience to the cause of peace.

Seldom are we able to point to one person's work and pronounce it not only good and worthwhile but also a step toward building peace in our time. And today, we enjoy that good fortune and we can measure it sixfold. We're honoring six Americans who have dedicated themselves to the cause of peace—Americans who have traveled voluntarily to unfamiliar lands to help citizens of developing nations.

I have often spoken about how the spirit of voluntarism moves like a deep and mighty river throughout our own country. I've sensed a real, upbeat joy that Americans feel this spirit is being restored, and they're glad that it's getting stronger.

By the example of these Peace Corps volunteers, people throughout the world can understand that America's heart is strong and her heart is good. These six builders of peace, men and women of all ages, are not shouting in city parks or trying to second guess our defense planners. They're using their God-given talents and skills to help

others. They are pursuing the noble cause of peace by living the meaning of the poet, Emerson's, words—"The only gift is a portion of thyself."

And they're doing this as an engineer, a nun, a medical technician, a speech therapist, a fish farmer, and an environmentalist with the knack for Yankee ingenuity. And we salute them all.

I'm delighted to welcome Sister Madeline Chorman, who has come all the way from Ghana to be with us, also, the parents and friends of our other distinguished volunteers.

You know, the Peace Corps appeals to all ages. There's no upper age limit for volunteers. Many are well into their sixties and seventies, and a few Peace Corps volunteers are over 80. Our older volunteers are honored for the wisdom, as you have been told, that they've acquired over a lifetime, especially in some of the developing nations where life expectancy is only about 45. And these senior citizen Peace Corps volunteers are having the experience of a lifetime. I hope more of our older Americans will consider joining the Peace Corps to put their experience to work.

Maybe I should get my own résumé

ready for that day—[laughter]—when I'm ready to look for my next job. I'm not quite there yet. [Laughter]

By working to counteract the dreadful effects of poverty, deprivation, and lack of opportunity, Peace Corps volunteers help people become more self-reliant. They help create peace and opportunity at the grass-roots.

All of us hope and pray for peace. America has no higher aspiration. We're working for something never before achieved in any administration—to go beyond a limitation to an actual reduction in the numbers of strategic weapons, and that's one great source of hope. Another is what six volunteers do every day.

If each of us could strive to live by their example, our world would be a much better and a far safer place. We applaud the volunteers who are being honored and all the volunteers in their quest for peace and on behalf of the American people thank them during our celebration of National Volunteer Week.

Ms. Ruppe. Thank you, Mr. President.

[At this point, Loret M. Ruppe, Director of the Peace Corps, read the citations. The President presented each recipient with the award.]

Michael McKenna Bolster. Architect and engineer, expert in Arabic, Michael McKenna Bolster helped restore water sources throughout the mountains after last year's devastating earthquake in Yemen. Accepting the award for Michael is Mr. Joseph Bolster.

Working towards her Ph. D. in speech therapy, Joan LeClair has worked tirelessly

to create a trained cadre of speech therapists in Malaysia to carry on after she's gone. Accepting the award is Mrs. Harriette LeClair from Minneapolis, Minnesota.

A biochemistry major from the University of California, James O. Morris established a new fishing station in the remote mountains of Guatemala from which he could encourage farmers to build ponds and raise fish for new sources of money and protein. Accepting the award for James Morris is Mrs. Kathy Morris of Carmel, California.

Inventor, educator, and village coordinator, Kenneth Robinson, Jr., is serving the people of Paraguay as an outstanding environmental sanitation volunteer. Accepting the award for Kenneth is Mrs. Kenneth Robinson of Setauket, New York.

A highly trained epidemiologist specializing in communicable diseases, Monica Wernette learned several local tribal languages to be able to track down the unusual monkey pox virus in the tropical rain forest of Zaire. Accepting the award for Monica is Mrs. Charles Wernette of Clay City, Kansas.

Having served as a Peace Corps volunteer for 10 years in Ghana, Sister Madeline created a hospital canteen which has made worldwide history, most recently serving thousands of Ghanaian refugees, truly an outstanding effort and sacrifice. Sister Madeline Chorman is accepting her own award.

Thank you so very much, Mr. President, and Mr. Vice President.

The President. Well, thank you, and thank all of you for being here today. God bless you all. Thank you.

Note: The President spoke at 11:52 a.m. in the Rose Garden at the White House.

Remarks at a White House Ceremony Observing Crime Victims Week

April 18, 1983

The Attorney General. Mr. President, last year you appointed a commission on the victims of crime, called the Task Force on the Victims of Crime, to study the problems of victims and to make recommendations to

vindicate the rights of victims. That task force completed its work, made 68 recommendations, and those recommendations are now being studied by those of us at the Justice Department and others who are

concerned with this problem—victims being the forgotten people in the criminal justice system.

The Chairman of that commission—that task force was Mrs. Lois Herrington, a distinguished lawyer from California, who is the acting head of our Office of Justice Assistance, Research and Statistics. And I would like to introduce her to you now. Lois.

Mrs. Herrington. Thank you very much, Mr. Attorney General. Mr. President, Mr. Vice President, it's an honor and a pleasure to be here with you this afternoon.

Mr. President, when you established this task force, you led the Nation into a new era in the treatment of victims of crime. Never before has any President recognized the plight of those forgotten by the criminal justice system. It is my privilege to introduce to you five citizens who have given invaluable assistance to your task force. They represent hundreds of others who came forward, some at great personal sacrifice, to inform us all of the depth of this problem.

Mrs. Evelyn Blackwell is a widow from Washington, D.C. She has given us a special sense of the problems crime imposes on senior citizens, and she is a model for how those courageous citizens can fight back.

Since 1975 her home has been broken into five times and her limited income has prevented her from replacing most of those things taken from her. Gradually, she came to fear that no place, including her home, was safe. But because of her spirit and a refusal to give up, Mrs. Blackwell has been working to combat crime in her neighborhood, especially crimes against the elderly. In addition, she and a staff of 40 volunteers accompany elderly victims to court to ease the burden of this process on them.

Her creative and productive response to her own misfortunes serves as an inspiration to all who are working to improve the lot of victims in this country.

Mr. President, may I present Mrs. Evelyn Blackwell.

Mr. Elvus Regalia is a California pharmacist who was driven out of business by crime. Mr. Regalia owned and operated his own pharmacy for some 24 years, during which time he was burglarized six times

and robbed on three separate occasions.

During one robbery, he and two others were held hostage at gunpoint. Mr. Regalia always cooperated with authorities, even though numerous court appearances required that he repeatedly close his business. Eventually, the financial drain on his business, coupled with increasing fear, forced Mr. Regalia to sell the business he and his family had worked to build.

He now works as a pharmacist in San Quentin Prison. And he testified that although he rubs elbows with murderers and convicts now, he feels safer than the neighborhood pharmacist who serves the public.

Mr. President, I would like you to meet Mr. Elvus Regalia.

Mrs. Geraldine Strong is a victim of crime whose injuries were magnified by the callous way she was treated in the legal system. Mrs. Strong was at work one morning at a Maryland public library when an assailant with a long criminal history kidnapped her at gunpoint, held her captive for 3 hours while he raped, robbed, and repeatedly threatened to kill her if she ever testified against him.

Though Mrs. Strong's attacker was arrested at the scene of the crime, it took the system a year to bring him to trial. Mrs. Strong told your task force that, "my disillusionment with the judicial system is many times more painful than the attacks on me."

But she has not succumbed to her disillusionment. She has volunteered to help train law enforcement professionals to improve their sensitivity and service to victims of crime.

Mr. President, I would like you to meet Mrs. Geraldine Strong.

All too often the pain and suffering that victims of crime experience continues long after the passage of the criminal event itself. Last year, three men entered the St. Louis home of Harold and Lily Tuthill and savagely beat them both.

In addition to taking money, these criminals stole the mementos of their lifetime together. Efficient police work led to the quick apprehension of the criminals. But the Tuthills have spent long periods in hospitals recovering from their physical and psychological injuries. The continuing fear

that resulted from the attack forced them to move from their home of 40 years. Their lives will never truly be the same.

Mr. President, I would like you to meet Mr. Harold Tuthill.

Mrs. Betty Jane Spencer is a brave and dedicated woman. In February 1977, four men with shotguns entered the Spencer home in rural Indiana, robbed the family, murdered Mrs. Spencer's four sons, and shot her three times.

When apprehended, the killers admitted they had picked a house at random to kill everyone in it "for the fun of it." The ring-leader of the group was on parole, and he and another killer were also free on bail, awaiting trial for other crimes.

Mrs. Spencer went to work to improve the system of justice in her State. As a result of her efforts and of citizens like her, more than 20 laws have been changed to better protect and assist victims of crime in Indiana. She has been a true champion of the cause of crime victims, and I'm very proud to introduce her to you.

Mr. President, I would like you to meet Betty Jane Spencer.

The President. Attorney General Smith, Mrs. Herrington, and ladies and gentlemen:

Standing here in the Rose Garden listening to these dreadful stories of senseless brutality seems almost unreal. But for far too many of our citizens, the threat of violent crime is, as we've heard, all too real.

I would like to thank all of you—Mrs. Blackwell, Mrs. Strong, Mrs. Spencer, Mr. Regalia, and Mr. Tuthill—as well as all the citizens who have come forward to help us come to grips with this very serious problem. You've acted in the highest tradition of our country. By your courage and selflessness, you've done your nation a great service.

I think the time has come when we, as a free people, should face up to some hard decisions about crime. The crime epidemic threat has spread throughout our country, and it's no uncontrollable disease, much less an irreversible tide. Nor is it some inevitable sociological phenomenon, traceable to urbanization or modern society. It is, instead, and in large measure, a cumulative result of too much emphasis on the protection of the rights of the accused and too

little concern for our government's responsibility to protect the lives, homes, and rights of our law-abiding citizens.

We should be proud that our criminal justice system protects the constitutional rights of the accused. But over the past few years, that system has allowed the safeguards protecting the rights of the innocent to be torn away. This has so complicated the system, clogged our courts, and reduced the chances of conviction—as well as the level of punishment once a criminal is convicted—that the criminal element now calculates that crime really does pay.

The suffering of these victims we've met today and the millions of others, as well, is testimony to the inequity and the inadequacy of today's system. Our Task Force on Victims of Crime called the neglect and mistreatment of crime victims a national disgrace. I heartily agree. What we have to do now is move forward to correct this disgrace and, at the same time, to clear away the roadblocks that prevent the authorities from doing their job. But we need your help. Prompt enactment of our anticrime package, particularly the bail reform and sentencing provisions, is needed to protect victims from criminals. The voice of the people must be heard in the Congress.

It will take time and hard work to undo the distortions of our criminal justice system that brought on this wave of crime. But under Attorney General Smith and his leadership, we're moving on these tough questions.

Finally, while Washington is a vital part of tackling the problem, it will also take the coordinated efforts of people in State and local government and in every walk of life to get this situation under control. Without action at the State and local level, our Federal efforts can achieve little.

Ultimately, if we're to succeed, each of us, as citizens, must do his or her part not only through contacting elected officials, though that always helps, but also by watching out for our friends, our families, and our communities. Crime prevention is no longer just a job for the police. Every level of government and Americans everywhere must take an active part. Many neighborhoods have a crime watch program. I would

hope that more and more of our citizens take the time and effort to get involved.

So, thank you all for what you're doing. And, together, I'm confident that we can begin to make America safe again. Thank you.

Mrs. Herrington. Mr. President, I know that I speak on behalf of these courageous Americans and citizens around this nation

that thank you for your dedication and your concern.

Note: The ceremony began at 1:45 p.m. in the Rose Garden at the White House. Lois H. Herrington was Chairman of the President's Task Force on Victims of Crime, which submitted its final report to the President on January 27.

Remarks Endorsing the Recommendations in the Report of the President's Commission on Strategic Forces *April 19, 1983*

Later today, I'll send a report to the Congress which endorses the recommendations of the bipartisan Commission on Strategic Forces, urges prompt congressional action and support. This distinguished panel's recommendations are important for two reasons: The actions they propose will preserve stable deterrence and thus protect the peace, and they will add solid incentives and credibility to our efforts to negotiate arms reductions that can pave the way to a more secure and peaceful future.

On the 23d of March, I spoke to the American people about our program for strengthening this nation's security and that of our allies and announced a long-term research effort to reduce, someday, the threat posed by nuclear ballistic missiles. A week later in Los Angeles, I expanded our efforts to limit and reduce this danger through reliable, verifiable, and stabilizing arms control agreements. Both of these paths lead to a common goal: preventing conflict, reducing the risk of war, and safeguarding the peace.

Every American President has accepted this crucial objective as his most basic responsibility. But preserving the peace requires more than wishful thinking and vague good intentions. Concrete, positive action is required to free the world from the specter of nuclear conflict. And that's why we will continue to work relentlessly to achieve nuclear stability at the lowest possible levels.

Our words, policies, and actions all make

clear to the world our country's deeply held conviction that nuclear war on any scale would be a tragedy of unparalleled scope. Time and again, America has exercised unilateral restraint, good will, and a sincere commitment to effective arms control. Unfortunately, these actions alone have not yet made us truly safer, and they haven't reduced the danger of nuclear war. Over the past year, for example, the Soviets have deployed over 1,200 intercontinental ballistic missile warheads, more than the entire Peacekeeper program.

The history of American involvement in arms control shows us what works and what doesn't work. The fact is that in the past our one-sided restraint and good will failed to promote similar restraint and good will from the Soviet Union. They also failed to produce meaningful arms control. But history also teaches us that when the United States has shown the resolve to remain strong, stabilizing arms control can be achieved.

In the late sixties, we made a major effort to negotiate an antiballistic missile treaty with the Soviet Union. After the Soviet leadership demonstrated a clear lack of interest, the Congress agreed to fund an antiballistic missile building program. And the result was predictable. Once the Soviets knew we were going ahead, they came to the negotiating table, and we negotiated a treaty. It was formally adopted and remains in force today.

Obviously, the best way to nuclear stabil-

ity and a lasting peace is through negotiations. And this is the course that we've set. And if we demonstrate our resolve, it can lead to success.

It was against this background that I established a bipartisan Commission on Strategic Forces last January and directed it to review the strategic program for United States forces with particular emphasis on intercontinental ballistic missile systems and their basing. A distinguished bipartisan panel of Americans who served on the Commission, and those who served as senior counselors, have performed a great service to their country, and we all owe them a debt of gratitude.

Brent Scowcroft, the Commission's Chairman, other Commission members, Harold Brown, and the senior consultants are here today. I want to express my appreciation to you all for a tough job extraordinarily well done.

In the finest spirit of bipartisanship, the Commission unanimously arrived at clear, important recommendations on some of the most difficult issues of our time. During the past 3 months, the Commission held dozens of formal meetings and numerous small conferences. They talked to over 200 technical experts and consulted closely with the Congress. The Commission members sought a common objective: to achieve a greater degree of national consensus concerning our approach to strategic force modernization and arms control.

As the Constitution's [Commission's] report concludes, "If we can begin to see ourselves in dealing with these issues, not as political partisans or as crusaders for one specific solution to a part of this complex set of problems, but rather as citizens of a great nation with the humbling obligation to persevere in the long-run task of preserving both peace and liberty for the world, a common perspective may finally be found." Well, these words guided the work of the Commission. It is my fervent hope that they will guide all of us as we work toward the solution of what has been a difficult and lengthy issue.

The Commission has completed its work and last week submitted its report to me. It was immediately released, as you know, to the public. After reviewing the report, I

met with the National Security Council. They endorse the Commission's recommendations, as do all the members of the Joint Chiefs of Staff. And so do I.

First, the Commission urges us to continue the strategic modernization program which I announced in October of 1981. It reaffirms that the need remains for improvements in the command, control, and communications of our strategic forces, and continuation of our bomber, submarine, and cruise missile program.

Second, the Commission urges modernization of our ICBM forces. We should immediately proceed to develop and produce the Peacekeeper missile and deploy 100 in existing Minuteman silos near Warren Air Force Base in Wyoming. At the same time, the Commission recommends that we begin engineering the design for a small, single-warhead missile. If strategic and technical considerations warrant, this missile could be ready for deployment in the early 1990's. Incidentally, this modernization program will save about \$1½ billion in 1984 and even more than that in each of the next 2 years.

Third, the Commission recommends major research efforts in strategic defense and a thorough research program of hardening, making our land-based missile systems more secure. This modernization effort is the final component of our comprehensive, strategic program. It will mean a safer, more secure America. And it will provide clear evidence to the Soviet Union that it is in their best interest to negotiate with us in good faith and with seriousness of purpose. That adds up to an important incentive for both arms control and deterrence, for peace and security now and far into the future.

Finally, the Commission underscores the need for ambitious arms control negotiations, negotiations that would lead to agreements that are balanced, promote stability in time of crisis, and result in meaningful, verifiable reductions. These are precisely the objectives of our arms control proposals now on the table in Geneva. These are—well, I want to reemphasize that we're in Geneva seeking equitable, reliable agreements that would bring real reductions.

So, the task before us is to demonstrate our resolve, our national will, and our good faith. That's absolutely essential both for maintaining an effective deterrent and for achieving successful arms reductions. Make no mistake, unless we modernize our land-based missile systems, the Soviet Union will have no real reason to negotiate meaningful reductions. If we fail to act, we cannot reasonably expect an acceptable outcome in our arms control negotiations, and we will also weaken the deterrent posture that has preserved the peace for more than a generation.

Therefore, I urge the Congress to join me now in supporting this bipartisan program to pursue arms control agreements that promote stability, to meet the needs of our ICBM force today, and to move to a more stable ICBM structure in the future.

To follow up on the Commission's recommendations, I have asked Brent Scowcroft in his capacity as Chairman to keep me closely advised as this issue moves toward resolution, particularly as it relates to arms control.

For more than a decade, each of four

administrations made proposals for arms control and modernization. Unfortunately, each became embroiled in political controversy. The members of the Commission, the Secretary of Defense, the Joint Chiefs of Staff, and I have all had to take fresh looks at our previous positions. But despite the wide range of views these groups have held in the past, we now have a program that has our unanimous support.

Support by the Congress and the American people for this consensus will unite us in our common search for ways to strengthen our national security, reduce the risk of war, and ultimately reduce the level of nuclear weapons. We can no longer afford to delay. The time to act is now.

Thank you all very much for being here, and again I thank the Commission for their fine work.

Note: The President spoke at 10:05 a.m. in the East Room at the White House.

Earlier in the day, the President met in the Cabinet Room with a bipartisan group of congressional leaders to discuss the report.

Letter to Congressional Leaders Reporting on the Recommendations in the Report of the President's Commission on Strategic Forces

April 19, 1983

*Dear Mr. Speaker: (Dear Mr. President:)
(Dear Mr. Chairman:)*

On January 3, 1983, I established a bipartisan Commission to respond to the issues raised by the Congress regarding the Peacekeeper missile, possible alternatives to the Peacekeeper, and possible alternative ICBM basing modes. The report, which the Commission submitted to me, was delivered to you last week. Attached is a classified report prepared by the Department of Defense submitted pursuant to the provisions of subsection (7) of Title V of the Department of Defense Appropriations Act, 1983, enacted as part of P.L. 97-377. The attached document addresses the issues set

out in subsection (7).

I am pleased to report to you that the distinguished group of Americans who served on the Commission have unanimously agreed on a package of actions, which I strongly support, and on which Secretary Weinberger, the Joint Chiefs of Staff, Secretary Shultz and the National Security Council have joined with me in supporting. They are as follows:

- (1) Improve as a first priority the command, control, and communications for our strategic forces; continue with high priority the Trident submarine and D-5 missile programs; and continue the bomber and air-launched cruise missile

efforts as planned.

- (2) Proceed with the immediate production of the Peacekeeper missile, and deployment of 100 such missiles in existing Minuteman silos in the Francis E. Warren AFB area, which I propose as the alternative basing plan required by P.L. 97-377. Specifically, the first 50 missiles will replace the Minuteman missiles in the 400th Strategic Missile Squadron (SMS). In turn, the second 50 will replace the Minuteman missiles in the 319th SMS. I have chosen Francis E. Warren AFB because the existing silos at that location offer the best operational considerations.
- (3) Commence engineering design of a small, single warhead ICBM. If strategic and technical considerations warrant, such a missile could be ready for full-scale development in 1987 and potential deployment in the early 1990's.
- (4) Expand research into, and undertake the most rigorous examination of, all forms of defense against ballistic missiles. This includes work on penetration aids.
- (5) Undertake a specific program to resolve uncertainties regarding silo and shelter hardness, a study of fratricide effects, and investigation of different types of land-based vehicles and launchers, particularly hardened vehicles.

Finally, I reconfirm that I am fully committed to continue to pursue ambitious and objective arms reduction negotiations with a goal of agreements that are balanced, pro-

mote stability in time of crisis, constitute meaningful force reductions, and are verifiable. As you know, our proposals to secure reductions of all types of weapons are before the Soviets in many forums.

I urge the Congress to join me now in this bipartisan effort to settle on a modernization plan for our strategic forces. For more than a decade, each of four administrations has made proposals for arms control and modernization that have become embroiled in political controversy.

Balancing a number of factors, the members of the Commission, the Secretary of Defense, Joint Chiefs of Staff, and I have all had to take fresh looks at our previous positions. Despite the range of views these groups have held in the past, we are presenting to you a unanimous view on this vital issue. Your support for the consensus can unite us in taking a major step forward in our common search for ways to ensure national security.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives; George Bush, President of the Senate; John Tower, chairman of the Senate Armed Services Committee; Mark O. Hatfield, chairman of the Senate Appropriations Committee; Melvin Price, chairman of the House Armed Services Committee; and Jamie L. Whitten, chairman of the House Appropriations Committee.

Message on the American Revolution April 19, 1983

Bicentennial of the Announcement to the Continental Army of the Cessation of Hostilities Between the United States and Great Britain, April 19, 1783, to April 19, 1983

Today is a very special day in our nation's history—the bicentennial of the announcement to the Continental Army of the cessation of hostilities between the United States

and Great Britain.

On April 19, 1783, which coincided with the eighth anniversary of the Battle of Lexington and Concord, the cessation was proclaimed to the troops at General George Washington's headquarters at Newburgh, New York.

Standing on the steps, General Washing-

ton read, "The glorious task for which we first flew to arms being thus accomplished, the liberties of our country being fully acknowledged and firmly secured . . . , and the character of those who have persevered through every extremity of hardship, suffering, and danger, being immortalized by the illustrious appellation of the patriot army, nothing now remains but for the actors of this mighty scene to preserve a perfect unvarying consistency of character through the very last act; to close the drama with applause, and to retire from the military theatre with the same approbation of angels and men which has crowned all their former virtuous actions."

The vigilant Continental Army and State Militias could at last relax in confidence that a long-sought peace would soon fall over a newly-recognized and independent nation.

On October 19, 1981, we celebrated the Bicentennial of the Battle of Yorktown, the last major engagement between deployed field armies of the two sides. That event—though impossible without the courage and fortitude of the footsoldier and sailor—was nonetheless most memorable as an occasion to recall and appreciate the contribution of our allies and the astute judgement and actions of our joint land and sea commands.

This occasion today is different. The in-

terregnum between Yorktown and this April day two centuries ago was a long one of minor skirmishes and the dull and repetitive duties of men who were justifiably impatient to return to their homes. Yet they stood loyally as the visible expression of the nation's will. Our hearts turn with affection toward them on the anniversary of this day when their Commander announced that further hazard to life and limb was suspended and likely to be recognized soon through formal treaty.

On September 3 the official conclusion to the American Revolution will be observed when we celebrate the bicentennial of the Treaty of Paris.

The focus then will be on the diplomatic process. The patient and skillful efforts of our plenipotentiaries in Paris, Madrid, and the Hague—Benjamin Franklin, John Adams, and John Jay—and the constant support of the people of this great new land made independence for the American people a reality.

There are further events that merit our continued recognition and celebration. The blessings of independence, which were secured for us on the field of battle, became truly secure only when ensconced in a viable political structure.

RONALD REAGAN

Appointment of William J. McManus as a Member of the President's Commission on White House Fellowships

April 19, 1983

The President today announced his intention to appoint William J. McManus to be a member of the President's Commission on White House Fellowships.

Mr. McManus is currently serving as treasurer of the Republican National Committee. Previously he was vice president of Byers-McManus Associates, Inc., in Washington, D.C. He was vice president for public relations and public affairs at the

Chesapeake and Potomac Telephone Co. in Washington, D.C., Richmond, Va., Charleston, W. Va., and Baltimore, Md., in 1925–1965.

He attended George Washington University, National Law School, and the Georgetown University School of Foreign Service in Washington, D.C. He was born August 28, 1900, in Nansemond County, Va.

Proclamation 5053—Jewish Heritage Week, 1983 April 19, 1983

*By the President of the United States
of America*

A Proclamation

American Jews have made significant contributions to every phase of American life. They have served this Nation by fighting for her freedom, building her industry, working for her goals, and nurturing her dreams. They have brought distinction to every field of American endeavor and have participated in the cultural development, economic growth, and spiritual progress of America.

The Jewish people remain dedicated to ancient and revered traditions which have been severely tested over the centuries. From the observance of Passover, which tells the story of the passage from bondage to freedom and rekindles the hope for all who are oppressed, through the participation in the National Days of Remembrance honoring the victims and survivors of the Holocaust and the anniversary of the Warsaw Ghetto Uprising, Jews pay tribute to their past.

Each spring, the American Jewish community remembers its struggles, celebrates its achievements, and renews its commitment to a future of continued advancement. It is during this time that American Jews renew their common heritage with Jews throughout the world by celebrating such occasions as Israel's Independence Day

and Solidarity Day for Soviet Jews. In particular, these Jewish traditions have been honored in 1983 by the American Gathering of Holocaust Survivors.

In recognition of the special significance of this time of year to American Jews, in tribute to the important contributions they have made to American life, and in tribute to the cultural diversity of the American people, the Congress of the United States, by House Joint Resolution 80, has authorized and requested the President to proclaim April 17 through April 24, 1983, as Jewish Heritage Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning April 17, 1983, as Jewish Heritage Week. I call upon the people of the United States, Federal, State and local government officials, and interested organizations to observe that week with appropriate ceremonies, activities, and reflection.

In Witness Whereof, I have hereunto set my hand this 19th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:53 a.m., April 20, 1983]

Remarks on Signing the Social Security Amendments of 1983 April 20, 1983

The President. Well, I want to extend to all of you a very warm welcome. Something ought to be warm. *[Laughter]* But it's especially fitting that so many of us from so many different backgrounds—young and old, the working and the retired, Democrat and Republican—should come together for the signing of this landmark legislation.

This bill demonstrates for all time our nation's ironclad commitment to social security. It assures the elderly that America will always keep the promises made in troubled times a half a century ago. It assures those who are still working that they, too, have a pact with the future. From this day forward, they have one pledge that they will

get their fair share of benefits when they retire.

And this bill assures us of one more thing that is equally important. It's a clear and dramatic demonstration that our system can still work when men and women of good will join together to make it work.

Just a few months ago, there was legitimate alarm that social security would soon run out of money. On both sides of the political aisle, there were dark suspicions that opponents from the other party were more interested in playing politics than in solving the problem. But in the eleventh hour, a distinguished bipartisan commission appointed by House Speaker O'Neill, by Senate Majority Leader Baker, and by me began, to find a solution that could be enacted into law.

Political leaders of both parties set aside their passions and joined in that search. The result of these labors in the Commission and the Congress are now before us, ready to be signed into law, a monument to the spirit of compassion and commitment that unites us as a people.

Today, all of us can look each other square in the eye and say, "We kept our promises." We promised that we would protect the financial integrity of social security. We have. We promised that we would protect beneficiaries against any loss in current benefits. We have. And we promised to attend to the needs of those still working, not only those Americans nearing retirement but young people just entering the labor force. And we've done that, too.

None of us here today would pretend that this bill is perfect. Each of us had to compromise one way or another. But the essence of bipartisanship is to give up a little in order to get a lot. And, my fellow Americans, I think we've gotten a very great deal.

A tumultuous debate about social security has raged for more than two decades in this country; but there has been one point that has won universal agreement: The social security system must be preserved. And rescuing the system has meant reexamining its original intent, purposes, and practical limits.

The amendments embodied in this legislation recognize that social security cannot

do as much for us as we might have hoped when the trust funds were overflowing. Time and again, benefits were increased far beyond the taxes and wages that were supposed to support them. In this compromise we have struck the best possible balance between the taxes we pay and the benefits paid back. Any more in taxes would be an unfair burden on working Americans and could seriously weaken our economy. Any less would threaten the commitment already made to this generation of retirees and to their children.

We're entering an age when average Americans will live longer and live more productive lives. And these amendments adjust to that progress. The changes in this legislation will allow social security to age as gracefully as all of us hope to do ourselves, without becoming an overwhelming burden on generations still to come.

So, today we see an issue that once divided and frightened so many people now uniting us. Our elderly need no longer fear that the checks they depend on will be stopped or reduced. These amendments protect them. Americans of middle age need no longer worry whether their career-long investment will pay off. These amendments guarantee it. And younger people can feel confident that social security will still be around when they need it to cushion their retirement.

These amendments reaffirm the commitment of our government to the performance and stability of social security. It was nearly 50 years ago when, under the leadership of Franklin Delano Roosevelt, the American people reached a great turning point, setting up the social security system. F. D. R. spoke then of an era of startling industrial changes that tended more and more to make life insecure. It was his belief that the system can furnish only a base upon which each one of our citizens may build his individual security through his own individual efforts. Today we reaffirm Franklin Roosevelt's commitment that social security must always provide a secure and stable base so that older Americans may live in dignity.

And now before I sign this legislation, may I pause for a moment and recognize

just a few of the people here who've done so much to make this moment possible. There are so many deserving people here today—leaders of the Congress, all members of the Ways and Means and Finance Committees, and members of the Commission, up in front here, but it would be impossible to recognize them all. But, first, can I ask Alan Greenspan and members of the Commission—I was going to say to stand—[*laughter*]*—*but there are others that are also standing here—but the other members of the Commission to stand so that we can recognize them. Thank you. And their Chairman, Alan Greenspan.

And, now, as a special treat, I would like to ask two of our leaders from Congress—first to step forward for a few words, Speaker of the House of Representatives, the Honorable Tip O'Neill.

Speaker O'Neill. Mr. President, Mr. Vice President, my distinguished colleagues in government, this is indeed a happy day.

There are those who would question as to whether or not the social security bill was the most important bill that ever did pass the Congress of the United States. Others would say there were other acts. But I always believed the social security system was the greatest act that ever passed the Congress. It gave respect and it gave dignity to the golden-ager of America.

This great country of ours has always gone on the theory that each generation pays for the generation before it. The golden-agers of today are the ones who made America great.

I want to congratulate the committee that the President appointed, that I appointed, that Senator Baker appointed. I want to congratulate the Ways and Means Committee—Jake Pickle was the chairman of the subcommittee, Dan Rostenkowski, Barber Conable, all of the committee—Senator Pepper from the Aging Committee, all worked together on both sides of the aisle. It shows, as the President said, the system does work. This is a happy day for America.

Thank you.

The President. Thank you.

And, now, the Majority Leader of the Senate, Senator Howard Baker.

Senator Baker. Mr. President, Mr. Vice President, my colleagues on the platform,

and ladies and gentlemen:

It is perhaps one of the littlest noticed but most important aspects of the civility of American Government that on occasion we rise above politics; we rise above confrontation; and we address, on a bipartisan basis, the great challenges and issues that confront the Republic. Sometimes it's been on issues of war and peace. Sometimes it has been on issues of the rights and opportunities of minorities and individuals within our country, once on the salvation of the Union itself.

But there's a canny understanding in the American political system that sometimes there are issues that are more important than any of us, or perhaps all of us, taken together. The preservation of the social security system is one of those issues. And in the uniquely American way, those of us who participate in government, Republicans and Democrats together, public and private citizens, gathered together and subordinated our own views to those of the welfare of the majority.

Mr. President, I commend you, sir. I commend the members of this Commission. I commend my colleagues in the Congress, the committees directly involved, and those members who are so intimately involved in this sensitive political issue on a successful conclusion of another chapter in the real greatness of the American political system; that is, the subordination of our own particular political ambition in favor of the greater good.

I thank you.

The President. Thank you, gentlemen. And thank all of you for being with us today.

I know some of you've come long distances just to participate in this ceremony. We have shared an historic moment, for in signing these amendments into law, we've restored some much needed security to an uncertain world.

And I am now going over and sign, and as you can notice how cold it is, 12 pens there; they're too cold—they can only sign one letter, each pen. [*Laughter*] If my name came out to 13 letters, I would have misspelled it.

It is signed.

Note: The President spoke at 10:29 a.m. at the signing ceremony on the South Lawn of the White House.

As enacted, H.R. 1900 is Public Law 98-21, approved April 20.

Proclamation 5054—Death of Federal Diplomatic and Military Personnel in Beirut, Lebanon *April 20, 1983*

By the President of the United States of America

A Proclamation

As a mark of respect for the American diplomats, military personnel and loyal staff members who died violently in the performance of their duty on April 18, 1983, in the tragic bombing of the United States Embassy in Beirut, Lebanon, I hereby order, by virtue of the authority vested in me as President of the United States of America by Section 175 of Title 36 of the United States Code, that the flag of the United States shall be flown at half-staff upon all public buildings and grounds, at all military posts and naval stations, and on all naval vessels of the Federal government in the District of Columbia and throughout

the United States and its Territories and possessions through Tuesday, April 26, 1983. I also direct that the flag shall be flown at half-staff for the same length of time at all United States embassies, legations, consular offices, and other facilities abroad, including all military facilities and naval vessels and stations.

In Witness Whereof, I have hereunto set my hand this 20th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:54 a.m., April 20, 1983]

Statement by Deputy Press Secretary Speakes on the Death of Federal Diplomatic and Military Personnel in Beirut, Lebanon *April 20, 1983*

The President has designated Under Secretary of State Lawrence S. Eagleburger to head a special United States Government delegation to honor the brave men and women victimized by a terrorist attack while serving the United States in Lebanon. The delegation is scheduled to depart Washington on April 21.

Other members of the delegation will be Agency for International Development Administrator Peter McPherson; Deputy Director of Central Intelligence John N. McMahon; Assistant Secretary of State for Near East and South Asian Affairs Nicholas A. Veliotis; United States Information

Agency Counselor John W. Shirley; Lt. Gen. Donald M. Babers of the United States Army; Principal Deputy Assistant Secretary of Defense for International Security Affairs Noel Koch; Maj. Gen. Bernard E. Trainor of the United States Marine Corps; and Howard Teicher, senior staff member of the National Security Council. The delegation will bring back to the United States the remains of those American victims recovered.

While in Lebanon the delegation will meet with the Lebanese leadership, the courageous men and women—both Lebanese and American—of the Embassy staff,

and the members of the United States Marine Amphibious Unit deployed in the Beirut area. The visit by this high-level delegation will also serve to underscore the depth of our gratitude to and admiration for the brave members of Lebanon's Internal Security Force and military services, some of whom gave their lives in protecting our diplomatic mission.

Note: Deputy Press Secretary Larry M. Speakes read the statement in the Briefing Room at the White House during his daily news briefing for reporters, which began at 12:40 p.m. Mr. Speakes also announced that the President had spoken by telephone with the U.S. Ambassador to Lebanon, Robert S. Dillon, earlier in the day.

Appointment of Three Members of the Advisory Committee on the Arts of the John F. Kennedy Center for the Performing Arts *April 20, 1983*

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee on the Arts (John F. Kennedy Center for the Performing Arts, Smithsonian Institution):

Joy S. Burns is president and owner of Hampshire, Inc., in Denver, Colo. In addition, she is founder, director, and vice chair of the board of the Women's Bank, N.A. She is a member of the board of trustees at the University of Denver and a member of the Denver Center for the Performing Arts. She is married and resides in Englewood, Colo. She was born December 2, 1927, in Wortham, Tex.

Millicent Monks founded the Plum Island Dance Company & School in Portland, Maine. In addition, she has been involved with the Portland (Maine) Center for the Performing Arts. She is married, has two children, and resides in Cape Elizabeth, Maine. She was born October 21, 1933, in Boston, Mass.

Julie P. Montgomery is a member of the Forward Arts Foundation in Atlanta, Ga. She also has been active in the Atlanta Arts Alliance, including the High Museum of Art and the Atlanta Symphony. She received a bachelor of fine arts degree from the University of Georgia. She is married and resides in Atlanta, Ga. She was born December 1, 1950, in Savannah, Ga.

Message to the Congress Reporting Budget Deferrals *April 21, 1983*

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report four new deferrals of budget authority totaling \$31,441,000 and one revision to a previously reported deferral, increasing the amount deferred by \$6,000,000.

The deferrals affect the Department of Commerce and the Department of Energy.

The details of each deferral are contained in the attached reports.

RONALD REAGAN

The White House,
April 21, 1983.

Note: The attachments detailing the deferrals are printed in the Federal Register of April 26, 1983.

Remarks of President Reagan and President Gaston Thorn of the European Commission Following Their Meeting

April 21, 1983

President Reagan. It was my pleasure today to have an extensive discussion with President Thorn and other representatives of the European Commission.

Our discussions focused on the Williamsburg summit, as you can imagine. This will bring President Thorn back to the United States next month.

President Thorn demonstrated his support for close and friendly relations between Europe and the United States during years of distinguished service as Prime Minister and Foreign Minister of Luxembourg. Our discussions today have demonstrated that his dedication to these objectives is just as vigorous in his present role as President of the European Commission.

Our discussions on summit preparations have strengthened my conviction that the meeting at Williamsburg will be a valuable opportunity for a free and open exchange of views on the problems and opportunities the world presents to us.

It's especially an opportunity to help to create a basis for sustainable, noninflationary growth in the world economy and to strengthen the international trading and financial systems and the links between them. The European Community, our larg-

est overseas trading partner, will be essential to that effort.

We agreed also that the United States Government and the Commission must make urgent efforts to find solutions to the differences we have on international trade issues. We're both committed to avoiding any slide into protectionism. We also noted with satisfaction the progress made in various organizations toward a common Western approach on questions on East-West economic relations.

President Thorn, welcome, and it's good to have you back.

President Thorn. Thank you Mr. President. Thank you.

Ladies and gentlemen, I have nothing to add to what the President said. I'm in full agreement with him. But we had a good meeting, and I'm now even more confident than when I came that Williamsburg will be a success, and we'll cooperate in order to make it success.

Note: President Reagan spoke at 11:40 a.m. to reporters assembled on the South Grounds of the White House. Prior to their remarks, the two Presidents met in the Oval Office.

Nomination of Richard Lee Armitage To Be an Assistant Secretary of Defense

April 21, 1983

The President today announced his intention to nominate Richard Lee Armitage to be an Assistant Secretary of Defense (International Security Affairs). He would succeed Frances J. West.

Since 1981 Mr. Armitage has been serving as Deputy Assistant Secretary of Defense (International Security Affairs for East Asia and Pacific Affairs). Previously he was administrative assistant to Senator Robert

Dole (R-Kans.) in 1978-1979; partner, SEATHAI, Ltd., an import-export business in Bangkok, in 1976-1978; senior management consultant to the Department of Defense in 1975-1976; and an adviser to the U.S. Defense Attache Office in Saigon in 1973-1975.

Mr. Armitage graduated from the United States Naval Academy (B.S., 1967). He was initially assigned to a U.S. Navy destroyer

engaged in operations off the coast of Vietnam and subsequently served three in-country tours in Vietnam and an assignment as an instructor at the Naval Amphibious School. He resigned from the Navy in

1973.

Mr. Armitage is married, has six children, and resides in Fairfax, Va. He was born April 26, 1945, in Boston, Mass.

Remarks on Television Job-a-thons to Promoters of Community Service Projects

April 21, 1983

Mr. Mechem. Mr. President, Mr. Vice President, ladies and gentlemen—I think you can all sit down, probably—[laughter]—my name's Charles Mechem. I'm the chairman of Taft Broadcasting Company. I'm really deeply honored today to speak on behalf of the 30 broadcast stations represented in this room, all of whom responded enthusiastically, Mr. President, to your call to help attack the Nation's number one priority, providing jobs for the unemployed.

In a very real sense, this was a grassroots effort, because it was undertaken by local television broadcast stations, the backbone of this country's remarkable system of free television news, information, and entertainment. I'm especially pleased that local broadcasters are receiving this recognition today, because day in and day out these dedicated, hard-working men and women contribute immeasurably to the quality of life in their respective communities.

It is, I believe, clear that the jobs fair efforts of these stations has succeeded beyond anyone's expectations. For example, to date, in the six Taft stations alone, almost 2,000 people have been placed in new jobs as a result of jobs fairs, and the placements are continuing every day. I know that everyone in this room could give exciting and heartwarming examples of the success of these efforts. Let me give just a couple.

In Kansas City a 35-year-old electronics technician who had been unemployed for 6 months was hired by an electronics repair service. He told our WDAF-TV reporter that finding a job took him from a state of desperation to one of optimism. In Cincinnati a 38-year-old unemployed Vietnam veteran is now working as a machine shop su-

pervisor and earning \$20,000 a year. That position had been listed with the State employment service for 8 months and went unfilled until WKRC-TV's job fair.

By the way, it's critical to point out that none of this could have happened without the tremendous support and cooperation of businesses, both large and small, who came forward with offers of jobs, and also without the help of the many State and local employment bureaus that worked with us.

Let me very quickly cite what I think are the three primary benefits of the jobs fair effort. First, and, of course, foremost were the people who were put back to work. Second, was the hope that was provided to unemployed people everywhere, the kind of hope that is generated when desperate, dejected people see concrete evidence that someone cares, that somebody's trying to help. And, third, the example that the job fairs provided of the strength and influence of local broadcast stations. It gave us a chance to reaffirm what we have always known and practiced: that local problems can best be solved locally by neighbors helping neighbors; that when the American people are given a chance through the initiative of the private sector to help, they respond unselfishly and enthusiastically.

Mr. President, we thank you for providing the leadership which challenged the private sector to pitch in and help and, specifically, for giving us a chance to help. It was exciting, it was rewarding, it was fun. And, Mr. President, it worked. From all of us, thank you.

The President. Well, welcome to the White House and thank you, Charlie Mechem, for describing what the Taft sta-

tions and your other colleagues in the broadcast industry have been accomplishing. And may I say, I have my own story also.

I'm sure some of you saw in the news recently in Pittsburgh when a young man approached me with a résumé and asked if I would show it to someone and take it from him. And I took it from him, and this was in front of an audience that I had just addressed. And I have just received today a letter from him thanking me because he now has a new career and a job and the world looks very bright to him right now. He also said that he understood I couldn't do that with individual résumés for everyone. *[Laughter]*

But there are many fine people that I know have been helped by your efforts, and certainly they and their families are grateful. And we here at the White House are also grateful for all that you've done. And that goes for all of you who've been putting forth the time and effort to produce a job-a-thon, a community service project for which you can be rightfully proud. Many of you have heard me—and many other Presidents before me, I might add—tell you that they like to read the good news. Who doesn't like to read good news? But I think that the story here today really is a good one. We have all of you—local television stations from across the country—here at the White House to take note of your community service and to say “thank you.”

Your efforts in creating job-a-thons have been examples of the finest tradition of community service. And let me just read to you from the clips. In Arizona it was reported that “some 3,000 unemployed Arizonans are back at work this week not because of any government program, but as the result of an extensive effort made by the State's private sector.” Jack Londen, who's a good friend of mine, was the moving force behind the job-a-thon televised by KPNX-TV. He persuaded Marcon Incorporated of Phoenix to donate \$60,000 worth of material and computer time to create a jobs bank where employers and prospective employees are matched. This was a statewide effort, and I hope that we can see more of them.

In Providence, WLNE general manager

Gary Chapman was quoted as saying, “We believe there are going to be jobs created as a result of this program.” Well, Gary, I hope so. I know that some were filled as a result of your effort.

In Cedar Rapids, KGAN-TV began the idea by preempting its local and network prime-time programing last summer. Before the show was over and the job-a-thon ended, some 319 jobs were netted. Sally Dale, a housekeeper-babysitter who'd been out of work for months, received a job offer within 60 seconds of her television interview.

There are many more examples of your good work. In communities throughout the country, these job-a-thons, job fairs, and other private initiatives have proven to be successful in matching skillful people with new jobs.

I want to be sure to point out to all of my friends from the networks and the big national news organizations that are here today, the good works of your local stations. You have acted in the finest traditions of American voluntarism. And you represent a fine example of local broadcasting initiative. I'm pleased to have you here at the White House to say “thank you.”

I remember my call to KGAN-TV in Cedar Rapids, which sponsored the first job-a-thon. Since then, I've participated—as has Vice President Bush—with a number of other stations. Job-a-thons are the finest American traditions of neighbor helping neighbor. And we both thank you for letting us play a small part in that.

What you've done is one vital step in a process of helping some mighty fine people move through a very difficult period of transition. Last week a well-qualified, former steelworker in Pittsburgh—was the one that I mentioned earlier about the letter, Ron Bricker—and asked for help. And, as I say, I wish I could help everyone as we were able to help him. Jim had a hand in that, that did a couple of phone calls before it worked out.

We're trying to do that with an economic recovery program that gets to the root causes of our economic problems, and day by day, we're seeing mounting evidence that that program is working. In the mean-

time, however, there are hundreds of thousands of hard-working individuals like Ron Bricker who face immediate problems. Fortunately, in this case, we were able to direct him to a job interview. And he took it from there. And, as I say, he now has a job with the Tandy Corporation.

I'd like to be able to take more individual action. But realistically, I have to ask for your assistance and for that of other stations like yours to help fellows like Ron. These job-a-thons are difficult to do, I know. They take the work and coordination of many people. So, I want to add a word of appreciation to all the cameramen and the technicians and the reporters—some of whom, I know are with us today—who volunteered their time and skills to help make these job-a-thons a success.

The job-a-thon, of course, is only one of many tools that we have for connecting well-qualified workers with opportunities. We have also supported the creation of job-search clubs that are being organized by the National Alliance of Business in coordination with the Departments of Labor and Commerce. And technical experts and members of our soon-to-be-announced Advisory Council on Private Sector Initiatives will be working with employers to provide

displaced employees with basic skills needed to find new jobs.

In short, while coming to grips with the causes of our economic difficulties, we also have to do our best to give individual workers, hurt by the economic downturn and technological changes, a fair shake. It's going to take all of us, in and out of government, to get this done.

Now that I've thanked you for what you've already done, let me leave you with a challenge to double your efforts and do it some more. The job-a-thon, an idea that was born out of the creative thinking and hard work of a few local stations, is just the kind of practical, positive, can-do approach that we need to make important progress. So, I hope you'll all go back and spread the message.

And I thank you again, and God bless you for coming here to the White House to be part of National Volunteer Week. And I know I'm going to get to say hello to each one of you individually down the hall in just a few seconds, so I'll get to that. And I could stand here forever and keep on saying "thank you" for all you've done.

Note: The President spoke at approximately 2:45 p.m. in the East Room at the White House.

Remarks and a Question-and-Answer Session With Reporters on Domestic and Foreign Policy Issues April 22, 1983

The President. Good afternoon.

The Middle East

I'd like to begin with a few words about the Middle East. The tragic and brutal attack on our embassy in Beirut has shocked us all and filled us with grief. Yet because of this latest crime, we're more resolved than ever to help achieve the urgent and total withdrawal of all American forces from Lebanon—or, I should say, all foreign forces. I'm sorry. Mistake.

With this in mind, I've asked the Secretary of State to visit the Middle East next

week. His primary purpose will be to bring to a successful conclusion the negotiations in Lebanon. We are hopeful that an agreement between Lebanon and Israel can soon be concluded under terms which provide for the security of the borders. I must stress that until all foreign forces are out of Lebanon, that country cannot assert its sovereignty and begin real reconstruction. These are basic goals of our Middle East policy.

The Economy

I have a second subject. Economic recovery received a big push forward in March,

thanks to our continued progress against inflation. Prices rose by only one-tenth of 1 percent last month and by only 3.6 percent over the last year. We've had virtually no inflation in America for the last 6 months, and that's welcome relief for every American family after the double-digit inflation and record interest rates of 1980. We know that zero-inflation cannot last forever. Energy prices have firmed a bit in recent weeks. Nevertheless, evidence indicates that the underlying rate of inflation has fallen below 5 percent, something the experts said couldn't be done.

With inflation down, interest rates down, and workers being called back, this is no time to sabotage the recovery we've worked so hard for with a quick political fix. The battle over the budget now moves to the arena of the Senate floor, and I intend to marshal every resource of our administration to protect the interests of the American people. We're determined to fight unfair and unwise tax increases on the people to restore defense spending to a level that ensures U.S. security and to reduce inflationary domestic spending.

Yes, Bill [Bill Plante, CBS News].

The Middle East

Q. Mr. President, recent published reports indicate that King Hussein apparently views the Mideast peace process as just about collapsed. Can you offer us today any concrete indications that there is still some chance to save your peace plan in the Middle East?

The President. Yes, that's why George Shultz is going there. But that statement with regard to King Hussein—I've been in communication with him, both by phone and by cable, and that hasn't been the position he expressed to me.

All that really happened was that the effort to persuade Arafat, as a representative of the PLO, to allow Jordan to represent the PLO in the negotiations that will follow the removal of forces from Lebanon—he came in with an amendment to what had looked like his willingness to do this, calling for measures that Hussein could not agree to, I could not agree to, none of the other moderate Arab States could agree to. And so they told him that until and

unless they came up with something different than what they had proposed—this came from the radical element of the PLO—why we would, all of us, just have to go our own way.

Q. Yes, but since it seems unlikely that the PLO will go along with Hussein, how can you pull it out?

The President. Well, maybe we're making the PLO more important than they are. The negotiations don't have to hinge on the PLO being present.

Taxes, Defense and Domestic Spending

Q. Mr. President, if I can return to the last part of your opening statement, what you were referring to is the fact that the Senate Budget Committee yesterday voted against your programs on taxes, on defense, and on domestic spending. How do you explain the rejection of, really, your total program by a Republican-controlled committee? And don't you really have to compromise more than you have so far on the budget?

The President. No, what actually happened there was that the only way we could have been victorious in that committee was to get every one of the 12 Republican votes. Even one defector, and we couldn't have gone out. So, it was simply decided to put it out on the floor and take the matter to the floor. And that's what happened.

Q. And as for compromise, sir?

The President. What?

Q. As for compromise? Aren't you going to have to compromise more on defense and taxes and domestic spending?

The President. We have proposed a compromise, but certainly not to the extent that the committee turned out, because that would be very irresponsible. And it would be irresponsible on my part to not call it irresponsible.

Q. Mr. President, are you willing to accept that the third year of your tax cut might not be put in place, or are you willing to accept a smaller increase in defense spending than what you proposed?

The President. I believe that—well, we're going to seek an increase over the figure that came out of that committee, obviously.

We have announced, in the beginning, that there is a willingness; we have found that we can go somewhat below the original figure that we first introduced in the budget. This has come about through the change brought about by the committee on the MX and all, on better progress in inflation, some things of that kind. So there is a compromise figure on that that has been presented to the chairman of the committee, and he knows about it.

With regard to the taxes, no, there's no way that we can give up on this third year of the tax increase [cut], nor can we give up on the indexing, which is strictly for the benefit of those in lower- and middle-income ranges, because they're the only ones who can be shoved into higher tax brackets by cost-of-living pay increases.

Republican Unity and Withholding Tax on Interest and Dividends

Q. Mr. President, the Republican Senate voted overwhelmingly yesterday to reject the administration's plan on withholding. To delay it for 4 years amounts to killing it. And it was Senator Armstrong, we understand, who prevented the members of the Budget Committee, the Republican members of the Budget Committee, from being unanimous. What has happened to Republican unity? Why are you having so much trouble with your own people in the Senate?

The President. Well, this particular issue here—I thought that yesterday's vote in the Senate on the withholding was quite a triumph for the people who are not paying the taxes they fairly owe. And we'll see what happens in the other House when that goes to the other House.

But it seems a little strange to me in this great, revved up effort that happened, that that bill was passed without any problem or any protest by both Houses of the Congress to have withholding of interest and dividend income. It is not a new tax. It went through the '82 election, and it wasn't even mentioned or was an issue or not. And then suddenly, a very successful lobbying effort went forward. And the simple fact is that what was voted in the Senate was to allow people to go on cheating on their income tax rather than making them pay their fair

share.

Q. But, sir, your own strongly conservative partisans such as Senator Kasten and Senator Armstrong are not backing you on these important measures. My question was, what has happened to the united front that you used in '81 and '82?

The President. Well, in this particular instance, they went their own way. We'll see what happens on some other episodes.

Gary [Gary Schuster, Detroit News]?

Q. Mr. President, with that overwhelming Senate vote and the likelihood of a House vote, perhaps, of similar proportions, are you still planning to veto that bill in light of, perhaps, a veto-proof vote by the Congress?

The President. As I've said many times before, in this case—I've said an apple can be orange—in this case, a bad apple might turn out, yet, to be an orange. We'll just wait and see. And I'll make up my mind on that when I see what happens in the House. It might not get through the House.

Q. Well, that's right. But are you predisposed at this time? Because they're trying to give you, as they said, "wiggle room" to get out of this thing because it's veto-proof. Would you in light of the overwhelming vote of both Houses, if it should happen, would you veto? Do you feel that strongly about it?

The President. I feel strongly about it. That's all I'll say in advance.

Palestine Liberation Organization

Q. Mr. President, you mentioned a few moments ago about the radical elements of the PLO. We understand that the White House now has intelligence information that not only the Libyans, but also the PLO have been aiding the Nicaraguan Government and the Salvadoran leftist guerrillas. Can you tell us more about what the PLO is doing—I understand there are some 50 PLO pilots down there—and what you're going to do about it?

The President. I can tell you that the report is true. They, like others from the Communist states, have been in there and are in there. And the episode with the Brazilian halting of the planes from Libya the other day, when the aspirin they were sup-

posed to be carrying turned out to be hand grenades and things, is just further evidence of what we've said all the time—that there are outside forces all, of them principally aligned with or sympathetic to the Communist bloc, who are in there and intervening in the legitimate affairs of those countries.

Q. But if the PLO is doing this, should we be dealing with them or trying to bring them into the peace process?

The President. There has to be a solution to the problem of the Palestinians. Now, no one ever elected the PLO, among the Palestinians. I don't think that what an element of that group is doing should turn us away from trying to find a solution to the problem of hundreds of thousands, millions in fact, of Palestinians who aren't radicals and who simply want something of a homeland.

Defense Spending

Q. Mr. President, back on the defense budget, if I might. You asked Senator Domenici to postpone his mark-up for 3 weeks, and I'm wondering if you feel, in retrospect, that if you or your advisers had gone to the Senators in that period of time, you might now be in a different position, that you might not have been able to get the cooperation, those 12 votes you need?

The President. It just wasn't that easy. As I said before about a defense budget, they're talking dollars. They're looking at wanting to simply cut dollars. We have to look at things—"What do we feel we need to meet our defense strategy worldwide?" And if they want to cut money, we have to look and say, "Where can we responsibly eliminate one of these factors, or more, that we think are necessary for our national security?"

And so all we asked for was time to study and see, could we cooperate with them, could we meet some of their demands on this without setting back the progress that we've made in closing that window of vulnerability? And it's just a different way of looking at things. Up there, they simply looked at the money, as if you could make a percentage cut across the board and it wouldn't have any effect on your military capability.

Q. Do you still think you're going to be able to put it back together again on the floor to get the defense budget somewhere near what you think it should be?

The President. Yes.

Q. Mr. President—

The President. I've got to go back further, I'm staying down front here too long.

Alleged Soviet Violations of Treaties

Q. Mr. President, are you going to be speaking out publicly soon about alleged Soviet violations of current treaties? And if the United States does believe that the Soviets are now violating treaties that we have with them, does that make it very difficult to reach agreement on any new treaties?

The President. No, but it imposes a responsibility on us to be more careful in a new treaty than we've been in the past.

Whether I'll be speaking out or not depends on a study that is going on right now on a most recent testing of a missile. There have been evidences in the past when we have had indications that we thought possibly meant a violation of previous agreements. Unfortunately, those previous treaties are so ambiguous that it amounts to loopholes. And when, as in this most recent case, we feel that there is possible evidence that there was a violation, an interagency task force of experts reviews all the findings that we have, and then they report to my own advisers and then to the National Security Council—all of them looking at this. If there is, then, further evidence that we believe can be obtained from the Soviet Union in asking them directly the answer to some questions, that enters into it. And that's all before it gets to me.

And the problem is it is so ambiguous that it is difficult to establish and have hard-and-fast evidence that a treaty has been violated. This most recent case, for example, is one in which the Soviet Union says that they were testing an improved version of a missile that is already proper under the treaty. The evidence that we thought we had indicated that very possibly this was a new missile, which would be in violation.

Now, all I can tell you about this is, if this is like the past ones have been, if you can't

get that kind of courtroom evidence you need, then you can't make the charge of violation.

But what I've said is we've learned enough since we've been here to know that any treaties that we arrive at with regard to arms limitation or reductions with the Soviets, we're going to make sure they are not ambiguous, that the clauses that are in there are hard-and-fast.

Q. Are you concerned if you do speak out about possible violations that this will set back the effort for negotiations with the

Soviets?

The President. No, no, not really. No.

Q. Thank you, Mr. President.

The President. Well, I still never got beyond the third row.

Q. Drop by whenever you're in the neighborhood. [*Laughter*]

The President. Okay, I will. I will. Okay. Thank you.

Note: The President spoke at 1:34 p.m. in the Briefing Room at the White House.

Remarks at the Swearing-in Ceremony for Kenneth L. Adelman as Director of the United States Arms Control and Disarmament Agency

April 22, 1983

The President. Well, Ken, it's wonderful to see a smile on your face—[*laughter*—after so many trying weeks and to be able to congratulate you on this happy occasion. And I want you to know we're proud of you.

I know that your family is even more proud. And you're a man of vision, courage, and honor, and, I might say now by this time, patience and endurance. [*Laughter*]

Of course, your work is just beginning. This position you're assuming is unique within the governments of the world. No other country has an arms control agency with such prominence as ours. In a sense, this is highly symbolic, for ACDA and its mission embody America's highest aspirations.

Our country's record on arms control in the postwar era is a proud record. It began with the Baruch plan, and it's being carried on today in our far-reaching negotiating proposals and our other efforts to reduce the risks and arsenals of war.

Our goal is peace with justice. We search for a means to resolve differences without resort to war, without resort to violence, and with assurance of compliance with the agreements made.

I know that you'll be an important voice, a true advocate, and a source of energy for

our efforts to achieve these great goals through the equitable and effectively verifiable agreements that we're seeking.

And I see, Ken, that you've brought a few friends and colleagues—[*laughter*—with you in addition to your lovely family up here. You now join a larger family whose entire professional commitment is to be an important resource for me and for you in the search for genuine peace.

While the Arms Control and Disarmament Agency is small compared to other Federal agencies, its importance far exceeds its size. Since its founding in 1961, ACDA has played a key role in some of this country's most important policy decisions. During your tenure, ACDA will often be front and center in that process. One thing your confirmation process clearly did was to highlight this Agency's critical role.

Last week, following your confirmation by the Senate, I said that I foresaw a reinvigorated Arms Control and Disarmament Agency under your leadership. I want to assure the dedicated personnel of ACDA that they and you have my full confidence. They should know that I will look to you and to them for counsel in these important days ahead. And I know that I can depend on all of you for strong support.

And I might say in view of so much of

what was said in these arduous weeks that have gone by, honest, I want arms reduction. [*Laughter*]

Welcome aboard, and our warmest congratulations.

Mr. Adelman. Thank you.

Mr. President, Mr. Secretary, ACDA staff, family and friends, someone just the other day reminded me, Mr. President, that it's been a quarter of a year since you nominated me as Director of ACDA, and I was kind of startled. But it just goes to show how time flies when you're having fun, you know? [*Laughter*] But these past 3 months have shown me, more than ever before, that nothing worthwhile ever comes easily. Surely, it's safe to say this in terms of the confirmation process.

The extensive, unflinching support you gave me, Mr. President, and which was given to me by Secretary Shultz, Judge Clark, Jeane Kirkpatrick, and the White House staff, ACDA, and the State Department, and the family and friends gathered here, meant more to me than any gift I have ever been given before. I'm deeply grateful and know that it has been worthwhile.

It has been worthwhile because of the unquestionable importance of the directorship of ACDA and the fine caliber of the Agency staff. It has been worthwhile because of the unquestionable importance of arms control to you, Mr. President, to us at ACDA, and to the American people. It has been worthwhile because of the critical importance of arms control to our elected officials in the Congress.

Much of the time since my confirmation vote last week has been spent on individual meetings with members of the Senate For-

eign Relations Committee and other interested Senators in discussing the depth of our mutual commitment to a strong arms control program. I've gathered a good amount of advice which I will share with you later, Mr. President. This was anticipated, since I spent considerable time with those Senators voicing reservations over the last 3 months. The spirit of bipartisanship and of close consultations has been superb. I look forward to working with the Congress in precisely this spirit.

Similarly for arms control agreements themselves, nothing worthwhile ever comes easily. To accomplish your goals for arms control, including deep and verifiable reductions in nuclear weapons, bringing about enhanced stability, this takes time, energy, tenacity, and imagination. Your administration has surely chosen the difficult, the bold road on arms control, a road which can lead to agreements which make the world a safer place for all of us, a world with fewer nuclear weapons on both sides, a world wherein freedom can blossom and diversity is widely treasured.

These are the traditional goals of America. These are the goals which inspire all of us in our lives as Americans. These are the goals which I pledge to you to pursue to my fullest as Director of the Arms Control and Disarmament Agency.

Thank you very much.

Note: The President spoke at 2:48 p.m. at the ceremony in the Roosevelt Room at the White House. Prior to the President's remarks, Secretary of State George P. Shultz administered the oath of office to Mr. Adelman.

Statement on Earth Day April 22, 1983

On this 13th anniversary of Earth Day, I applaud the progress that this nation has made in protecting and enhancing the quality of the environment. Air quality in the United States today, especially in the cities, is much better than it was 13 years ago.

Streams, rivers, and lakes all across the country are becoming cleaner. The Congress has enacted legislation which stringently regulates hazardous waste and has created a special fund to clean up abandoned hazardous dump sites. Expenditures

by businesses and government to comply with environmental laws were almost \$55 billion last year, or more than \$230 per man, woman, and child in the United States. We can be proud of the actions we have taken as a nation to protect the quality of the environment for ourselves and our children.

Our nation has also been a wise steward of our natural resources. Beginning 75 years ago with President Teddy Roosevelt and foresters John Muir and Gifford Pinchot, our nation made a clear commitment to conservation. That commitment continues today. Our national park system has grown to 74 million acres, and almost 7,000 miles

of river are included in our National Wild and Scenic River System. We have some 413 wildlife refuges, totaling some 86.7 million acres. This record cannot be matched by any other nation.

Private businesses and public interest groups, Federal, State, and local governments, and private citizens of all philosophical persuasions all recognize that our future is bound up inextricably with our management of the environment. By working together, we can achieve our environmental goals and manage our abundant natural resources wisely. Earth Day provides an opportunity to reaffirm our commitment to the environment.

Nomination of Myles Robert René Frechette To Be United States Ambassador to Cameroon

April 22, 1983

The President today announced his intention to nominate Myles Robert René Frechette, of Washington, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador to the United Republic of Cameroon. He would succeed Hume A. Horan, who is being appointed to another position.

Mr. Frechette was employed in Seattle, Wash., as merchandising trainee, J. C. Penney Co. (1958–1959), and as procedures analyst, the Boeing Co. (1960–1962). In 1963 he entered the Foreign Service as international relations officer in the Office of Coordinator of Cuban Affairs in the Department. He was consular officer in San Pedro Sula (1965–1967) and political and economic officer in Fort Lamy (1968–1969). He at-

tended Latin American studies at the University of California at Los Angeles (1970–1971). He was the Peru desk officer (1971–1974); Chief of the Political Section in Rio de Janeiro (1974–1976); and Counselor for Political Affairs in Caracas (1976–1979). In the Department he was Director of Cuban Affairs (1979–1982) and since 1982 has been special projects officer in the Bureau of Inter-American Affairs.

Mr. Frechette graduated from the University of British Columbia (Canada) (B.A., 1958) and from the University of California at Los Angeles (M.A., 1972). His foreign languages are Spanish, French, and Portuguese. He was born April 25, 1936, in Santiago, Chile.

Nomination of Francis Stephen Ruddy To Be a Member of the Board of Directors of the African Development Foundation

April 22, 1983

The President today announced his intention to nominate Francis Stephen Ruddy, an Assistant Administrator of the Agency for International Development (African Affairs), to be a member of the Board of Directors of the African Development Foundation for a term of 2 years. This is a new position.

Mr. Ruddy was counsel for the Exxon Corp. in Houston, Tex., in 1978-1981. He had been associated with Exxon since 1974. Previously he was Deputy General Counsel and Congressional Liaison, United States In-

formation Agency in 1973-1974; senior attorney with the Office of Telecommunications Policy, Executive Office of the President, in 1972-1973; and Assistant General Counsel at USIA in 1969-1972.

He graduated from Holy Cross College (A.B., 1959), Loyola University (LL.B., 1965), New York University (LL.M., 1967), and Cambridge University (Ph. D., 1969). He is married, has three children, and resides in Chevy Chase, Md. He was born September 15, 1937.

Appointment of Lauro J. Neri as a Member of the National Armed Forces Museum Advisory Board

April 22, 1983

The President today announced his intention to appoint Lauro J. Neri to be a member of the National Armed Forces Museum Advisory Board of the Smithsonian Institution for a term expiring April 9, 1986. He will succeed Fred L. Dixon.

Mr. Neri currently serves as west coast representative for Regensteiner Printing Corp. Mr. Neri founded Medallion Printers and Lithographers in 1960. He was president and chairman of the board in 1961-

1972. He served as general manager of Medallion Graphics, Inc., in 1972-1980.

Mr. Neri graduated from the Air Force Officer Candidate School in Miami Beach, Fla. (1943), and the Air Command and Staff School in Montgomery, Ala. (1951). He served 4 years in the United States Army Air Force. He is married, has five children, and resides in West Covina, Calif. He was born October 15, 1922, in Los Angeles.

Statement Announcing the United States Proposal of Long-Term Grain Agreement Negotiations With the Soviet Union

April 22, 1983

I am today announcing that we have proposed to the Soviet Union the negotiation of a new long-term grain agreement (LTA). We are taking this step to reaffirm our reliability as a supplier of grain. The present U.S.-Soviet long-term agreement, which originally covered the 1976-1981 period,

was extended last September for a single year, through September 30, 1983. Negotiation of a new long-term agreement is consistent with United States agricultural export policy and reflects our commitment to reestablish the U.S. as a reliable supplier. Assuming the Soviets accept this proposal,

these negotiations will be conducted by the U.S. Trade Representative in close coordination with the Secretary of Agriculture and the Secretary of State.

Proclamation 5055—National Farm Safety Week, 1983

April 22, 1983

*By the President of the United States
of America*

A Proclamation

Many of the world's people depend on American agriculture to fill their food and fiber needs. Yet, the efficiency of American agriculture and the quality of life for those who work on the land are impaired by a high accident rate. Many farm and ranch families, both owners and workers, suffer great personal sorrow and economic loss each year because of serious injuries or fatal accidents. It is particularly unfortunate that farm children and teenagers often are the victims of these accidents.

Although great progress has been made in improving safety on farms, much work remains to be done. It is important that community leaders and public officials continue to contribute their time and effort to promoting accident prevention programs. But real progress in safety must start with the individual. Most farm accidents can be prevented if safe work methods are followed and appropriate protective equipment used. If our farmers and ranchers develop strong safety habits while at work, in the home, in recreational pursuits, and while driving on the road, our safety record

will improve further.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week of September 18 through September 24, 1983, as National Farm Safety Week. I urge all persons who live and work on the Nation's farms and ranches to make safety a daily part of activities on the job, at home or on the highway. I also urge those who work with and service America's farms and ranches to support safety efforts in every way possible. I call upon parents especially to teach their children good safety practices and instill in them a positive attitude toward safety which will serve them well throughout their lives.

In Witness Whereof, I have hereunto set my hand this 22nd day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:27 a.m., April 25, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on April 23.

Radio Address to the Nation on the Death of Federal Diplomatic and Military Personnel in Beirut, Lebanon

April 23, 1983

My fellow Americans:

In a few hours I'll undertake one of the saddest journeys of my Presidency. I'll be going to Andrews Air Force Base to meet one of our Air Force planes bringing home

16 Americans who died this week in the terrorist attack on the United States Embassy in Beirut.

I undertake this task in great sadness, but also with a tremendous sense of pride in

those who sacrificed their lives in our country's efforts to bring peace to the Middle East and spare others the agony of war. Greater love hath no man. The courage and the dedication of these men and women reflect the best tradition of our Foreign Service, our Armed Forces, and the other departments and agencies whose personnel serve our nation overseas, often in situations of great personal danger.

We don't know yet who bears responsibility for this terrible deed. What we do know is that the terrorists who planned and carried out this cynical and cowardly attack have failed in their purpose. They mistakenly believe that if they're cruel enough and violent enough, they will weaken American resolve and deter us from our effort to help build a lasting and secure peace in the Middle East. Well, if they think that, they don't know too much about America. As a free people, we've never allowed intimidation to stop us from doing what we know to be right. The best way for us to show our love and respect for our fellow countrymen who died in Beirut this week is to carry on with their task, to press harder than ever with our peacemaking efforts, and that's exactly what we're doing.

More than ever, we're committed to giving the people of Lebanon the chance they deserve to lead normal lives, free from violence and free from the presence of all unwanted foreign forces on their soil. And we remain committed to the Lebanese Government's recovery of full sovereignty throughout all its territory.

When I spoke after the bombing to Lebanon's President Gemayel, he expressed his people's deepest regret and revulsion over this wanton act of terrorism. I in turn assured him that the tragic events of this week had only served to strengthen America's steadfastness as a force for peace in his country and the Middle East. To this end, I've asked Secretary of State George Shultz to leave tomorrow night for the Middle East. Secretary Shultz will now add his personal efforts to continue the magnificent

work begun by Ambassadors Phil Habib and Morris Draper, bringing about the earliest possible withdrawal of all foreign forces from Lebanon in a way that will promote peace and security in this troubled region.

The scenes of senseless tragedy in Beirut this week will remain etched in our memories forever. But along with the tragedy, there were inspiring moments of heroism. We will not forget the pictures of Ambassador Dillon and his staff, Lebanese as well as Americans, many of them swathed in bandages, bravely searching the devastated embassy for their colleagues and for other innocent victims.

We will not forget the image of young marines gently draping our nation's flag over the broken body of one of their fallen comrades. We will not forget their courage and compassion, and we will not forget their willingness to sacrifice even their lives for the service of their country and the cause of peace.

Yes, we Americans can be proud of these fine men and women. And we can be even prouder that our country has been playing such a unique and indispensable role in the Middle East, a role no other single nation could play. When the countries of the region want help in bringing peace, we're the ones they've turned to. That's because they trust us, because they know that America is both strong and just, both decent and dedicated. Even in the shadow of this terrible tragedy in Beirut, that is something to remember and draw heart from. It is also something to be true to.

I know I speak for all Americans when I reaffirm our unshakeable commitment to our country's most precious heritage—serving the cause of peace and freedom in the world. What better monument than that could we build for those who gave their all that others might live in peace.

Until next week, thank you, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Message on the Observance of Army Reserve Day *April 23, 1983*

Established on April 23 seventy-five years ago, the United States Army Reserve traces its roots to the proud tradition of the citizen-soldier of the American Revolution. Created as the Medical Reserve Corps, the Army Reserve has become the largest Federal Reserve component in the Armed Forces of the United States. It now is composed of Army Reserve Troop Units, the Individual Ready Reserve, the Standby Reserve, and the Retired Reserve.

Since 1908, Army Reservists have been called to active duty in emergencies. Almost 170,000 Reservists served in World War I. In World War II, an estimated 217,250 soldiers were mobilized from the Army Reserve to fight in the European and Pacific Theaters of war. Army Reservists

also served with pride and distinction during the Korean War, the Berlin Crisis in 1961, and the Vietnam conflict.

Today, the Army Reserve is an integral element of the Army, providing over 30 percent of its tactical support unit requirements and over 25 percent of its general support units. Army Reservists, like the citizen-soldiers of earlier time, stand ready to respond to their country's call and their nation's need. Let us answer their sacrifices and their dedication with our support and gratitude.

I am very proud to congratulate the United States Army Reserve on its Diamond Anniversary.

RONALD REAGAN

Remarks at a Ceremony Honoring the Victims of the Bombing of the United States Embassy in Beirut, Lebanon *April 23, 1983*

There can be no sadder duty for one who holds the office I hold than to pay tribute to Americans who have given their lives in the service of their country. I extend also the condolences of ourselves and our people, through Ambassador Turk, to the families of our loyal Lebanese employees who perished in this tragic event along with their American colleagues.

You here today, the families of these honored dead, I want you to know I speak for all Americans when I say that we share your sorrow and offer you our heartfelt sympathy. We are in your debt and theirs. Your loved ones served their country with talent and energy, courage and commitment. With your sorrow you must feel at the same time a pride—pride in their dedication. And we, your fellow citizens, share in that, also.

These gallant Americans understood the danger they faced, and yet they went willingly to Beirut. And the dastardly deed, the

act of unparalleled cowardice that took their lives, was an attack on all of us, on our way of life and on the values we hold dear. We would indeed fail them if we let that act deter us from carrying on their mission of brotherhood and peace.

It is written, "Blessed be the peacemakers." And they truly were peacemakers. They knew the road they traveled was hard and fraught with peril. They walked that road with cool professionalism and a deep sense of purpose. They knew at firsthand how an afflicted mankind looks to us for help—with faith in our strength, our sense of justice, and our decency. And that is the America that your loved ones exemplified. Let our monument to their memory be a preservation of that America.

Let us here in their presence serve notice to the cowardly, skulking barbarians in the world that they will not have their way. Let us dedicate ourselves to the cause of those loved ones, the cause they served so nobly

and for which they sacrificed their lives, the cause of peace on Earth and justice for all mankind.

We thank God for them. And God bless you.

Note: The President spoke at 6:44 p.m. at Andrews Air Force Base, Md. The ceremony followed the return to the United States of the bodies of the 16 Americans who were killed in the bombing.

Remarks at the Presentation Ceremony for the Enrico Fermi Awards at the Department of Energy April 25, 1983

The President. Secretary Hodel, Dr. Anderson, Dr. Neddermeyer, Dr. Trivelpiece, and ladies and gentlemen:

You know, from long years out on the mashed-potato circuit, you always tried to think of some reason that you could sort of express at the beginning of your remarks as to why you were qualified or what you had in common with the occasion that could bring you there. And the only thing that I could think of for this morning goes back some years to when I was doing a television show called "The General Electric Theater." [Laughter]

And I remember that I was up at that great installation in the State of Washington where so much was being done with nuclear power. And in one particular building where they were showing me through, why, we put on felt boots and we put on some gowns and then we went through. But then we had to peel all of this off. And there was a slot machine there in which you put your hands and your feet—[laughter]—and there were four dials that started ticking away as to the amount of radioactivity that you might have acquired in your extremities. And mine all—on three of them, stopped. But on my left hand, that dial kept on ticking, and it was getting up there toward where the numbers were red. And I was getting a little concerned. And the manager of the plant looked over my shoulder, and he says, "Oh, your left hand." He says, "That always happens." He said, "That's the radium dial on your wrist-watch." [Laughter] I was very relieved.

I was 200 miles away from there when I realized—I don't have a radium dial. [Laughter] Every once in a while, I still put

my head under the covers and look to see if my hand's lighting up. [Laughter]

But on December 2d, 1942, James Conant, the Science Adviser to the President of the United States, received a coded message during a phone call from Arthur Holly Compton, "The Italian navigator has landed in the New World," Compton said. Conant inquired, "How were the natives?" And Compton answered, "Very friendly."

Well, ladies and gentlemen, that coded message signaled to President Roosevelt that the first demonstration of a sustained nuclear reaction had taken place. The Italian navigator referred to was Enrico Fermi. And on that day, the whole of mankind landed in a new world.

The two individuals that we honor today played significant roles in the early exploration of the atom. I understand Dr. Anderson was present in Chicago at the time of the first sustained reaction. Dr. Neddermeyer was also involved, conducting his research in another part of the country.

Wartime necessity focused that early research on the production of a weapon—a weapon that, once brought to bear on the enemy, effectively ended the conflict that then engulfed the world. This development 40 years ago forever changed the world and our perceptions of the consequences of conflict, which is why 40 years later, we continue to search for surer ways to control and reduce nuclear weapons and, eventually, better ways to defend against them.

While we might speculate on what the world would be like had nuclear weapons never been developed, we can't wish them away. And that's why I have challenged

America's scientists and engineers to search for ways by which these weapons systems might eventually be rendered obsolete.

But while we're understandably caught up in our concerns for control of nuclear weapons, we mustn't lose sight of the tremendous peaceful benefits that nuclear science has brought us over the decades. These benefits were also a gift from nuclear explorers like the men we honor today.

Nuclear energy now plays, and will continue to play, an important role in meeting our nation's energy needs. Today, nuclear plants generate more electricity for the American people than oil-fired facilities. I noticed a story in the paper the other day about air pollution in a Colorado mountain resort. Apparently, woodburning fireplaces were used so extensively that this beautiful mountain retreat is developing a smog problem—a reminder that there is a cost to every form of energy.

We do know that the complete fissioning of a single pound of uranium, a single pound, provides two and a half million times more energy than the burning of a pound of fossil fuel. This form of energy has tremendous potential for mankind. And we plan to move forward prudently and systematically to ensure that the people of the United States are able to use it safely and keep warm, provide light, and to serve as a vehicle for a better life.

Energy production, while one of the most significant uses of nuclear power, is certainly not its only peaceful application. More than 40 million Americans each year receive medical treatment using radioactive isotopes and radiation therapy. In industry, the essential task of nondestructive testing is tied to the use of nuclear material, ensuring the quality of welds and the strength of building materials.

The concern over this awesome power is understandable, but we must not let this concern deter us from harnessing it to peacefully serve mankind. In his article, "Fermi's Own Story," Fermi wrote: "Perhaps a time will come when all science and technical progress will be hailed for the advantages that it may bring to man and never feared on account of its destructive possibilities."

Well, the two men we honor today, like

Enrico Fermi, are part of that small band of explorers that discovered, in a new world, a world where potential is limited only by our imagination. They represent the best traditions of American science. They're a tribute to our freedom and to our security. We're proud of them. And it is with great pleasure that I will present the awards.

First, there is Dr. Herbert L. Anderson. And Doctor, this citation is signed by Secretary Hodel and myself. It reads:

[At this point, the President read the citation, the text of which follows:]

For his pioneering collaborations with Enrico Fermi in demonstrating the emission of neutrons in fission at Columbia University; for his essential role in constructing the first chain-reacting piles; for his work on production and determination of the properties of tritium and helium-3; for his collaboration with Fermi in detecting the first hadronic resonance at the University of Chicago; and for his continuing contributions to understanding the nature of strong and weak nuclear forces.

This citation comes with a gold medal and a check. And I am proud to present them, Dr. Anderson, to you now.

Dr. Anderson. Thank you, Mr. President. It's an honor for me to receive this award. This award, the Enrico Fermi Award, has a special significance for me. Fermi was my teacher, and he was a friend. And we worked together, almost on a daily basis, for 15 years.

All the developments having to do with the development of nuclear energy, starting in the days at Columbia—when Fermi first arrived in this country—in which we discovered that neutrons were emitted in the fission of uranium, until the day in Chicago when we saw the first nuclear chain reaction go, and then finally in Los Alamos, where we had an opportunity to see how the nuclear energy could be used, also, to end the war, which was pressing on us at that time—all these experiences were a great adventure to me. And I'm terribly pleased to have this occasion to be acknowledged by you, Mr. President.

The President. And then, there is Dr. Seth H. Neddermeyer. Doctor, your citation reads:

[At this point, the President read the cita-

tion, the text of which follows:]

For participating in the discovery of the positron; for his share in the discovery of the muon, the first discoverer of the subatomic particles; for his invention of the implosion technique for assembling nuclear materials; and for his ingenuity, foresight, and perseverance in finding solutions for what at first seemed to be unsolvable engineering difficulties.

Now, Dr. Neddermeyer, here's your citation—

Dr. Neddermeyer. Thank you, Mr. President.

The President. —your gold medal and your check.

Dr. Neddermeyer. This is totally unexpected. Thank you, Mr. President. Somebody must have made a mistake. [Laughter]

The President. No mistake was made, and certainly neither of you made mistakes—[laughter]—and we're indebted to you.

Well, you know, I am very humbled by this experience. I feel a little bit like the old farm gentleman who was in a bar one day, and two gentlemen with much more knowledge and sophistication than he had were discussing nuclear energy. And finally, aware of his presence and thinking they'd have a little joke, one of them said to the old farmer, "Where would you like to be in the event of a nuclear explosion?" And the old boy said, "Someplace where I could say, 'What was that?'" [Laughter]

But on behalf of all the people of our country, thank you both, and God bless you.

Secretary Hodel. That concludes our ceremony. Thank you very much.

Note: The President spoke at 11:11 a.m. in the Forrestal Building Auditorium following remarks by Dr. Alvin W. Trivelpiece, Director of the Office of Energy Research, and Secretary of Energy Donald P. Hodel.

Statement by Deputy Press Secretary Speakes on the President's Meeting With NATO Secretary General Joseph M. A. H. Luns April 26, 1983

Earlier today, the President met with Joseph Luns, the Secretary General of the North Atlantic Treaty Organization. The President and the Secretary General met in the Oval Office. The Secretary General is in the United States to meet with Secretary Weinberger and to maintain his regular consultations with U.S. leaders. They last met in June 1982 during the NATO summit in Bonn.

The two discussed the INF negotiations and the close and continuing allied consultations that have led to the alliance's strong unity behind the U.S. proposal. Both men agreed on the need for the alliance to remain steady on its deployment course if a concrete agreement with the Soviets is not reached.

The President and the Secretary General also discussed the NATO Economic Committee's study of the security implications of East-West economic relations. The President told the Secretary General that the study is an important part of the overall allied effort to develop a comprehensive Western approach to East-West economic relations.

The President also took this opportunity to express his deep respect to the Secretary General for his continuing and outstanding contributions to alliance security and unity.

Note: Deputy Press Secretary Larry M. Speakes made the statement at his daily press briefing in the Briefing Room at the White House.

Nomination of Curtin Winsor, Jr., To Be United States Ambassador to Costa Rica

April 26, 1983

The President today announced his intention to nominate Curtin Winsor, Jr., of Washington, D.C., to be Ambassador to Costa Rica. He would succeed Francis J. McNeil.

Mr. Winsor was research assistant, Special Operations Research Office of the American University, in 1964–1967. He served in the Foreign Service in 1967–1971, successively as international relations officer on detail to the Arms Control and Disarmament Agency, and special projects officer in the Bureau of Congressional Relations in the Department. In 1971–1973 he was special assistant to the chairman of the Republican National Committee, and manager for

international affairs at the Chase Manhattan Bank in Washington, D.C., in 1973–1979. Since 1979 he has been associate director of Alliance for Free Enterprise. He also has been president of Winsor Pittman Coal Co. (1980 to present) and Winsor Pittman Co. (1982 to present) in Charleston, W. Va. In 1980 he served as a member of the Reagan transition team, Department of State and Agency for International Development.

He graduated from Brown University (B.A., 1961) and American University (M.A., 1964; Ph. D., 1971). His foreign languages are Spanish and French. He was born April 28, 1939, in Philadelphia, Pa.

Proclamation 5056—National Physical Fitness and Sports Month, 1983

April 26, 1983

By the President of the United States of America

A Proclamation

Regular, vigorous physical activity is essential to good health and effective performance of our daily responsibilities. In addition, physical activity and sports programs can provide rich sources of personal pleasure and satisfaction.

Many individuals, families, communities, and others are increasingly concerned about physical fitness, and there is a growing recognition that physical activity is an important part of daily life for people of both sexes and all ages. Americans who are not reaping the benefits and pleasures of physical activity and sports should develop a personal physical fitness program in accordance with their capability.

In recognition of the importance of physical activity as a part of our daily life, the Congress, by Senate Joint Resolution 53, has authorized and requested the President to

designate the month of May 1983 as “National Physical Fitness and Sports Month.”

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of May 1983 as National Physical Fitness and Sports Month and urge communities, schools, States, employers, voluntary organizations, churches, and other organizations to stage appropriate observances and special events. Furthermore, I urge individuals and families to use this occasion to renew their commitments to make regular physical activity an integral part of their lives.

In Witness Whereof, I have hereunto set my hand this 26th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:32 p.m., April 26, 1983]

Nomination of Lois H. Herrington To Be an Assistant Attorney General

April 26, 1983

The President today announced his intention to nominate Lois H. Herrington to be an Assistant Attorney General (Office of Justice Assistance, Research, and Statistics), Department of Justice.

Mrs. Herrington is an attorney at law and served as Chairman of the President's Task Force on Victims of Crime, which issued its final report in January 1983.

Mrs. Herrington was born in Seattle, Wash., on December 6, 1939, and graduated from San Mateo High School, San Mateo, Calif., in 1957. She is a graduate of the University of California, Davis, where she received her A.B. degree with honors in political science in 1961. Mrs. Herrington received her LL.B. and J.D. degrees at the University of California, Hastings College of the Law, San Francisco, Calif., in 1965. Mrs. Herrington practiced law for 10 years as a private attorney before joining the Alameda County district attorney's office in Oakland, Calif., as a deputy district attorney in 1976. During her time as a deputy district attorney, her responsibilities included work on misdemeanor and felony trial staffs, handling a broad cross section of cases from petty theft to murder. In addition, she supervised arraignment departments, law and motion case readiness calendars, felony preliminary hearings, and superior court juvenile division actions. Mrs. Herrington was a member of the office of felony task force, with primary responsibility for case evaluation and charging and supervision and training of newer deputies. In addition to her general duties, she screened all sexual assault and child abuse cases.

Mrs. Herrington has served as a member of the Alameda County Women's Coalition on Domestic Violence; a member of the

California Sexual Assault Investigators and District Attorney's Conference; a coordinator for probation and courts for domestic violence diversion programs; a participant in the National Juvenile Conference of Juvenile Justice and Judge's Seminars; a coordinator of the drug diversion and education program, where she received the outstanding Community Service Commendation awarded by the Concord Policy Department; and was a member of the Contra Costa County Child Development Council. In addition, Mrs. Herrington has had advanced studies in psychology at the University of California; has served as a senior vocational counselor at Pacifica High School in Pittsburg, Calif.; has been a member of the Citizens Coordinating Committee for the city of Walnut Creek; a member of the drug education training program in the Orinda School District; a representative to the American Field Service Selection Committee; and a senior adviser to the Bay Area Chapter of the U.S.O. In addition, Mrs. Herrington has been employed as a senior girls counselor at the city and county of San Francisco Juvenile Hall and has worked as a probation officer in San Joaquin County, Calif.

Mrs. Herrington's professional associations include the American Bar Association, the California Bar Association, the Alameda County Bar Association, the California District Attorney's Association, the Queen's Bench Association, and the Hastings Law School Alumni Association.

Mrs. Herrington is married and resides in McLean, Va. She and her husband have two daughters, Lisa Marie (age 17) and Victoria Jean (age 16), currently enrolled in a local public high school.

Appointment of Four Members of the President's National Security Telecommunications Advisory Committee

April 26, 1983

The President today announced his intention to appoint the following individuals to be members of the President's National Security Telecommunications Advisory Committee:

Harry Jack Gray is chairman of United Technologies Corp. in Hartford, Conn. He resides in Farmington, Conn. He was born November 18, 1919, in Milledgeville Cross Roads, Ga.

Edmund Bacon Fitzgerald is chairman of the board of Northern Telecom, Inc., in Nashville,

Tenn., where he resides. He was born February 5, 1926, in Milwaukee, Wis.

Rocco John Marano is vice president of American Telephone and Telegraph Co. in Basking Ridge, N.J. He resides in Chatham, N.J. He was born February 14, 1928, in West Haverstraw, N.Y.

John Francis Mitchell is president of Motorola, Inc., in Schaumburg, Ill. He resides in Inverness, Ill. He was born January 1, 1928, in Chicago, Ill.

Appointment of Two Members of the Advisory Committee on the Arts of the John F. Kennedy Center for the Performing Arts

April 26, 1983

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee on the Arts (John F. Kennedy Center for the Performing Arts, Smithsonian Institution):

Betty Jane Noe is president of the Women's Guild of the New Orleans Opera Association. She is also a member of the Louisiana State Arts Council. She is married, has five children, and

resides in New Orleans, La. She was born December 22, 1926, in Abbeville, La.

Ann S. Penberthy has been active in the Phoenix Musical Theatre and the Phoenix Symphony Guild since 1965. She is a member of Friends of the Kennedy Center in Washington, D.C. She is married, has two children, and resides in Paradise Valley, Ariz. She was born October 17, 1923, in Enid, Okla.

Remarks on Receiving the Final Report of the National Commission on Excellence in Education

April 26, 1983

I could have been introduced as the late President of the United States. [Laughter] And I won't look to certain individuals here on my left. I was in a meeting with some Members of the Congress, and somehow the schedule always breaks down after I have met with some Members of the Congress. [Laughter] But it's an honor to meet again with the National Commission members and guests.

When Secretary Bell and I first discussed

a plan of action to deal with the declining quality of education in America, we agreed that it was imperative to assemble a panel of America's leading educators, an assembly of such eminence that the Nation would listen to its findings. Well, today you've issued your report. And I'm confident that America's students, parents, teachers, and government officials will join me in listening closely to your findings and recommendations.

Your Commission was asked to assess the quality of teaching and learning in America compared with our own educational tradition and the rising competition from other industrial nations. You've taken a long, hard look at America's educational system and found that quality is lacking, but not because today's students are any less capable than their predecessors. You've found that our educational system is in the grip of a crisis caused by low standards, lack of purpose, ineffective use of resources, and a failure to challenge students to push performance to the boundaries of individual ability—and that is to strive for excellence.

When I first addressed this Commission at its inaugural meeting in October of 1981, I pointed out that there are few areas of American life as important to our society, to our people and our parents and families as our schools and colleges. And I also noted a parallel between a decline in our education and a decline—or our economy, I should say, and a decline in education. In both cases, serious problems had grown worse because of neglect and because too many people viewed the world the way they wanted it to be rather than the way it really is.

Well, we described our economy in realistic terms; we passed overdue reforms; and now the economy's growing again, but without double-digit inflation and record interest rates like before. Today we're calling attention to the way things really are in education. And this year our country will spend \$215 billion for education. We spent more on education at all levels than any other country in the world. But what have we bought with all that spending?

I was interested to see that you noted the almost uninterrupted decline in student achievement in the scores during the past two decades, decades in which the Federal presence in education grew and grew. Today's high school graduates score almost 40 points below their 1963 counterparts on standard mathematic tests and 50 points lower on verbal tests. Last year's gain on SAT scores will have to be repeated for more than a decade before we achieve the levels of the mid-sixties again.

Your Commission notes that our education policies have squandered the gains of

the sputnik area. The statistics I just cited underscore the decline in student achievement. Other indicators are more alarming.

About 13 percent of our 17-year-olds are considered functionally illiterate, and for minority youth, the figure may be as high as 40 percent. In our public 4-year colleges, remedial math courses now compromise—or comprise, I should say—"compromise" is on my mind; that was a Freudian slip. [Laughter] They now comprise one-fourth of all the math courses that are taught in our colleges. We can no longer afford to pass students who fail to learn from one grade to the next simply because they've come to the end of the year. We can't afford to waste the valuable resources of higher education to remedy problems that were ignored in our elementary and high schools. Four-fifths of our 17-year-olds can't write a persuasive essay. Two-thirds can't solve mathematical problems involving more than one step. And nearly 40 percent can't draw inferences from reading.

Despite record levels of educational spending, America's students came in last in 7 of 19 academic tests compared to students of other industrialized nations. We never placed first or second. More than half of our country's gifted and talented students failed to match performance with their tested ability.

You know, for 8 years as Governor, every year I used to meet with the exchange students in California from other countries and some of their American counterparts. And every year for 8 years I asked the same question and got the same answer. After meeting all of them and talking a little bit, welcoming them to the United States, I would then say, "Tell me, how do our high schools compare with your own schools in your own countries?" And the answer would always be, they would look at each other and then they would start to giggle. And then they would break into laughter, and then I would find out. They were really having a vacation in our schools compared to what they were going through in their own schools. And it was that way for all the 8 years that I asked the question.

Thomas Jefferson warned us, "If a nation expects to be ignorant and free, it expects

what never was and never will be." It's not too much to say that what began as our unique vision—human progress through individual opportunity—will grind to a halt in America if we fail to meet our educational challenges in the eighties. I welcome your challenge to the parents of America to hold elected officials responsible for carrying out those reforms.

Your report emphasizes that the Federal role in education should be limited to specific areas, and any assistance should be provided with a minimum of administrative burdens on our schools, colleges, and teachers.

Your call for an end to Federal intrusion is consistent with our task of redefining the Federal role in education. I believe that parents, not government, have the primary responsibility for the education of their children. Parental authority is not a right conveyed by the state; rather, parents delegate to their elected school board representatives and State legislators the responsibility for their children's schooling.

In a 1982 Gallup poll, the majority of those surveyed thought Washington should exert less influence in determining the educational program of the public schools. So, we'll continue to work in the months ahead for passage of tuition tax credits, vouchers, educational savings accounts, voluntary school prayer, and abolishing the Department of Education. Our agenda is to restore quality to education by increasing competition and by strengthening parental choice and local control. I'd like to ask all of you, as well as every citizen who considers this report's recommendations, to work together to restore excellence in America's schools.

We're entering a new era, and education holds the key. As sunrise industries grow, they bring us technological advances, offering opportunities and challenges. Rather than fear our future, let us embrace it and

make it work for us by improving instruction in science and math, retraining our workers, encouraging the continued education, retooling our factories, and stimulating investment in new areas of growth. We can do that. We can compete and meet the challenges of the marketplace. We're still the world's technological leader. But to be stronger, we have to get smarter.

America needs more education power. I would like to close today by commending Ted Bell for his leadership in creating the Commission and by thanking each of the members, especially Dr. David Gardner, the able Chairman, and Vice-Chairman, Yvonne Larsen, for their dedicated effort. You've rendered the Nation a valuable service. And on behalf of all concerned with excellence in education, I want to thank you for your work, your courage, and your vision.

And, you know, for me to be standing here saying this, the situation must be desperate, because some years after I graduated from Eureka College, I returned to that school. And they gave me an honorary degree, which only compounded a sense of guilt I'd nursed for 25 years, because I thought the first one they gave me was honorary. [Laughter]

Thank you all very much.

Note: The President spoke at 4:20 p.m. in the State Dining Room at the White House.

The report is entitled "A Nation at Risk: The Imperative for Educational Reform—A Report to the Nation and the Secretary of Education, United States Department of Education, by the National Commission on Excellence in Education, April 1983" (Government Printing Office, 65 pages).

Earlier in the day, the President met with Secretary of Education Terrel H. Bell, who presented him with a copy of the report.

Interview With USA Today April 26, 1983

Central America

Q. I'm going to start out with a couple of Central American questions and see how I do.

The President. All right.

Q. Are you happy with the \$30 million you got from the House today?

The President. Not completely happy. The cup's half full. We need the full cup, and we will go back for more. On the Senate side, I understand they did pass the full 60 that we'd asked for.

Q. I think a lot of Americans wonder if you are getting us into another Vietnam. I think that's the general worry there—something that's secret, and we quietly slip in before we realize we're there. Are we?

The President. No. And there is no comparison whatsoever in this situation and Vietnam. And I will be speaking more about this tomorrow night to the Congress. But there is no, and never has been any thought or discussion of sending troops any place here in the Americas, nor are they asked for or wanted. And three-fourths or more of all the aid that has gone down there has been economic aid, and less than one-fourth of it has been military aid.

Q. But Vietnam started similarly in our country, saying that we had no intention of sending any troops there; we weren't going to get into it. And because of all the debate over secret operations, I think there's a great concern. Do you think there's a point where you can tell Americans more about what we're doing in Nicaragua, for example?

The President. Well, no, look what we had in Vietnam. We had a place that wasn't even named that. It was named French Indochina, and it was part of the decolonizing that began after World War II. And at a meeting of the leading nations, the Western World, in Geneva, it was decided that there would be a North Vietnam and a South Vietnam, and the two countries were created. All sorts of provisions were made as to how they could determine where they wanted to go and so forth. And the people

of one country or the other were supposed to be allowed to change if they wanted to. North Vietnam—when a million people crossed over into South Vietnam, preferring that to the Communist rule that existed under Ho Chi Minh in North Vietnam—they shut the borders, contrary to the agreement, and so forth.

But you had there an assault on one country by another. But the advisers that were in there were in there because it was a new country, South Vietnam. They were, for the first time, going to have to have things like their own defense, their own military, and so forth. And we were simply in there trying to help them establish all the things that go with being an independent state. And the invasion from North Vietnam really started—while most people portrayed it as a Vietcong, a domestic revolution it wasn't at all. We know now that they were sent in deliberately; they were North Vietnamese forces.

But the whole thing was on a totally different basis—to say nothing of being 10,000 miles away—than the situation here of a duly elected government that is being attacked by guerrilla forces that are sponsored by outside countries.

Q. But it's the situation in Nicaragua that, I think, right now is causing so much concern because of the secrecy of what's going on there. Do you think there's a point tomorrow night or some point along where you can describe more fully what we're doing there, beyond the trying to intercept the arms?

The President. Well, no, what I think I will point out is that the difference between El Salvador and Nicaragua is that Nicaragua is a revolutionary government that by force took over the governing of Nicaragua. But then you had the internal fight in which many of the revolutionaries were cast aside, and the promises that had been made as being the goals of the revolution were never carried out.

Our country had tried to do—been trying to get along, negotiate with Nicaragua. But

our interest there is because the arms and the training and even the direction of guerrilla military movements are all centered in Nicaragua. The arms are coming into El Salvador by way of Nicaragua. We know that the operations of the Salvadoran guerrillas are directed by radio from the capital of—near the capital of Nicaragua.

Q. Well, you said in your last press conference that we wouldn't do anything to violate the Boland amendment. How would you feel if the guerrillas themselves said that their intentions are to overthrow the government there?

The President. Well, we can't control what they're saying. What we're interested in is preventing this continued military supply and training and—

Q. Well, can't we control what they're doing without arms, though?

The President. What?

Q. Can't we control what—if they're saying that they're trying to overthrow the government, can't we control that?

The President. Well, as I say, we're interested in making it more difficult—in fact, impossible for Nicaragua to continue to arm the guerrillas in El Salvador.

Federal Taxation

Q. I'll jump for a minute to taxes, another of your favorite subjects. Howard Baker said yesterday that—I think it was earlier today—that he thought that the Republicans would have to go from about \$8 billion to \$10 billion in new taxes in order to save the third year of your tax cut and your indexing. If they structured that in such a way that it wasn't an income tax, do you think you could buy it?

The President. I just have to say that I think that right now, with this recovery at the stage it has reached, no one should be talking increased taxes. This would be a good way to set back or cancel out the recovery.

Q. But if both the Democrats and Republicans are, and you've got the choice between what the Democrats are trying to do, the 30 billion, which could mean no third year tax cut, no indexing, couldn't you accept something to save that?

The President. If they attempted it—

Q. Or would you go along the road and

veto it?

The President. If they attempted it, I would veto that.

Q. Even—no amount at all? Not a cent, not a nickel?

The President. No.

Education

Q. Mr. President, could I ask you about the—your Commission on Educational Excellence today made a report saying that there was a tide of mediocrity sweeping American schools. And implicit in what they said, I think, is that there will have to be more money spent for longer class hours, better paid teachers, and so forth. Would you be inclined to support more Federal aid to education if that's what it took to have the kind of crash program that they're talking about?

The President. Well, yes, we've talked about that, but providing there would not be any increase in Federal administration of those funds. We think there is a parallel between the Federal involvement in education and the decline in quality over recent years. What is more needed than just throwing money at education—we're right now spending more money than any other country in the world; we're spending \$215 billion on education in this country. We think what has happened is—well, the report speaks for itself, that we have let up, we are not actually taking the students to the limit of their ability. We think we need more required courses. This is what the Commission has come up with.

And I know that today a question was asked of David Gardner as to the one thing that was lacking in the report was the demand for a big Federal program. I thought his answer explained it very well when he said, "No, we are trying to improve the quality of education, and that doesn't take a big Federal program."

Q. You don't think there's any need for additional Federal aid, excluding administrative costs?

The President. I have not had a chance to read the full report yet. But, no, I don't see any need for—

Press Coverage of the Administration

Q. Mr. President, in connection with your visit with the newspaper publishers tomorrow, yesterday Senator Moynihan told the publishers they should "roar like a tiger," I believe he told them, over press restraints on coverage by Congress and the administration. Do you think the press has anything to roar about in terms of covering Washington in your administration?

The President. Well, now, how did he just mean that?—that they'd roar like a lion?

Q. Well, he said that there was a montage of restraint, no major problems, but he referred to the Secret Agents Act. He referred to the appellate power of the Supreme Court. He referred to several incidents, and he said there is a montage of restraint, and the press should be more vigorous and noisy about protecting its political coverage.

The President. I don't see that, and I don't think so. I think the press is free to print those things that should be printed. I think to suggest that we should declassify things with regard to national security would be ridiculous. I think the press would feel that way, too.

Q. Do you think the public has anything to complain about in terms of what it is getting in the way of news out of Washington in your administration?

The President. Yes. I'd like to see the press complain about that they're getting too many leaks. [Laughter]

Q. I guess that's your complaint about them.

The President. Yes.

Defense Spending

Q. You've said before, frequently, that one of the reasons that you're not getting as much support as you should on some of your policies is because the public doesn't understand them. Do you think the public is not getting a full account of them?

The President. Well, now, I'm trying to think of a specific here in what we're—

Q. I think defense was one.

The President. Pardon?

Q. I think it was the defense buildup that most recently was complained about.

The President. Oh. Well, yes, I think there has been a perpetuation of an image,

of a perception, that somehow defense is the cornucopia from which you can get all the revenues you need for anything else that you want to do, and that it doesn't have any bearing on our national security. And people have been led to believe that, well, it's just larded with fat, and so you wouldn't really be hurting the muscle fiber of our security if you took more money away.

And what I guess I suggested recently was that to talk about defense spending, the defense budget, and to talk about—"Well, let's take \$5 billion off or let's take \$10 billion off of the budget"—there is no way that you can budget militarily that way.

Those of us who are responsible for security, we don't go at how much we want to spend. We go at, "What do we need to meet the strategic plan that we have that we believe is necessary for our security?" And then you add up, "What is that going to cost?" Now, the only way that you can look at the defense budget is not by way of just counting dollars. The man who says, "Let's reduce the budget by \$10 billion," should be made to come in and look at that defense plan. And then we say to him, "Okay. Where do you think—what would you do away with there that would save \$10 billion? And how much does that increase the insecurity of our country if you do that?"

Q. Do you think, then, that the public generally just doesn't understand this process? Because the polls still show that—even though you gained some back in recent weeks on this defense spending issue, the polls still show that people believe there can be—that they want a defense buildup, but not necessarily as much as a defense buildup that you want.

The President. But they've been told that over and over again. Do you realize that when I was campaigning, during the campaign, it was exactly the opposite? Everyone in this country was prepared to believe, and did believe, that our defenses had, as they have, been neglected, and that we were in a very risky situation. In fact, much of it was obvious. When ships couldn't sail, naval vessels, because they didn't have enough crew or didn't have spare parts for

the machinery, the public knew something was wrong.

Since that time, I think the constant drumbeat about charging that there is excessive spending is the thing that has turned the public around. They've been told over and over again that there is waste and extravagance.

Q. By Republicans or by the press or by Democrats or what? Who's telling them that?

The President. Well, it's a combination.

Q. Well, your own—your Senate Budget Committee, run by your Republicans, think that the point has come where we have to go for a little bit less of an increase—not a decrease, I understand that—but less of an increase than you want.

The President. Well, except that they—even including the chairman of that committee, are going to wage a fight on the floor—

Q. But for—

The President. —for more money. They knew they could not, in the committee, they could not get a majority vote.

Withholding Tax on Interest and Dividends

Q. Turning to a topic that is a little, maybe less complex, what about Senator Dole's comment yesterday that he doesn't think the public understands the issue with the bankers over withholding tax?

The President. Well, I think there, that there was a perception built among millions of people that this was a new tax; that somehow, something that had never been levied against them was going to be levied. They did not understand how many of them, the great majority of them that wouldn't even be touched by this, that they would be exempt on the basis of their income or the size of their savings accounts. And this generated probably the most successful lobbying effort that I've seen in many years. And—

Q. Will you veto the way it's—

The President. What?

Q. The way it's structured now, a 4-year delay, would you veto that the way you would veto a—

The President. Well, I'm going to wait, before I make any comment of that kind on whether I'll veto or not, till I see what

eventually arrives out of the Legislature. But the plain truth of the matter is, this is not a new tax. It's a tax that people are presently paying. And all that we wanted to do, the same as we do with wages, with withholding, was to be able to head off several millions of people who are cheating on their income tax and are escaping payment by not paying on dividend and interest earnings.

Q. Do you think the press has failed to explain this, or do you think it's the fact that the public doesn't want to understand it?

The President. Well, I don't know that I've seen that carried very much. I think I've seen the news carried of the lobbying, the news carried of the resentment of this, but I've never really seen an explanation of it.

Q. But the editorial writers were with you. I don't think I read an editorial anywhere in this country that was not on your side on this.

The President. The editorials. But then, as we all know, only 10 percent of the readers read the editorials—[laughter]—but 90 percent were reading something else in the same papers. No, I was surprised at many of the papers that normally don't editorialize in my favor who were in this one.

1984 Elections

Q. Could I ask you a couple of questions about '84? Without expecting you to announce while we're sitting here—

Q. But you can if you want. [Laughter]

Q. One of the State chairmen who was having lunch with you last Thursday, when he left the White House he told some friends in the Republican National Committee that during the lunch you had leaned over and said to him, "Don't worry. I'm going to go again." And I was just wondering if he was telling the truth. Have you told anybody that?

The President. I did not tell anyone.

Q. You haven't told anyone that?

The President. No.

Q. You're still saying you haven't made up your mind?

The President. I haven't said that to anyone. Really.

Q. Even Nancy?

The President. What?

Q. Even Nancy?

The President. Not even Nancy.

Q. Secondly, one of your, sort of, supporters, Terry Dolan, from NCPAC—occasional supporters—I don't know if you have heard about this or not, but they are running television commercials now, saying that the press is slinging mud at you and is trying to drive you out of running for a second term. And they are actually collecting money, and they're asking for contributions to NCPAC on your behalf for running for reelection. Are you aware of this, and do you condone—

The President. No.

Q. —or encourage this kind of activity?

The President. This is the first that I'd ever heard of it and, no, I couldn't condone it, because the election laws are very strict about that sort of thing.

Q. Do you feel that the press is trying to get you out of the campaign for running for reelection?

The President. No. I mean—[*laughing*]—just think, you wouldn't have all those things to pick on if I weren't here. [*Laughter*]

News Coverage

Q. In that connection, Mr. President, you have commented that there's an imbalance of bad news over good news. Lately, since the economic news has been brightening, I haven't sensed that feeling quite as much. Do you feel that the news has gotten better or the coverage has gotten better?

The President. Well, for one thing, the news has gotten better. But, no, I think I was probably speaking more there of the media, the TV news, that I think sometimes is interested in—well, you know, show business is based on the audience having an emotional experience, and so the sad stories were appealing, and so forth, and there seemed to be a great emphasis on this.

For example, just the other day, though—let me—the use and non-use of figures. The other day, there was a little note—and I can't recall, so I'll be honest, I can't recall whether it was a columnist or whether it was a news story—to the effect that someplace they were setting a record of 500

businesses going belly-up every year, and this year there will be 500, and so forth. But no mention was made of the fact that new businesses are setting records in starting; that in the same period when several thousand businesses were reported as closing, I guess in the year of 1982, 600,000 businesses started up.

And the same was true for a long time. Every week, faithfully reported, was how many people signed up for unemployment insurance. But each week, the same source of information gives the number of people that go off unemployment insurance. Now, admittedly, maybe not all of those go back to work, maybe they just come to the end of their term. But for many weeks, the number of people leaving unemployment insurance has been greater than the number of people going on.

Paul Volcker

Q. You know, speaking of the good economic news, some experts think that part of the beginning of the recovery is due to Paul Volcker's loosening up a little bit on the money supply. Why do you want to get rid of him now? [*Laughter*]

The President. The way you asked that question, you can't get a yes or no answer to that. [*Laughter*]

There's never been any discussion over here of this. I know that's an appointment that comes up down the road a ways. There's never been any talk here.

Q. You mean, when you're saying "here," you mean yourself, not your senior aides? Or are you including in your senior aides on that?

The President. Well, there certainly has never been any involving me, or no one has ever broached the subject to me.

Q. So if they're saying that—as I've seen reported—that they're almost unanimous in thinking you should get your own man in that job, that's their opinion and not necessarily yours?

The President. That would be their opinion.

Presidential Advisers and News Leaks

Q. Speaking of the aides, just one more. Do you intend to do anything about the

feuding that's going on among some of the senior levels on your staff?

The President. Yes, I am disturbed about it, and I think there, again, this comes under the subject, generally, of leaks. And I think it's time to put a stop to what I think is incorrect information. If leaks are honest, that's one thing. But incorrect information has added to this whole atmosphere.

Q. How are you going to do that?

The President. Well, I've thought of the guillotine. [Laughter] But I'll stop short of that.

Q. Is it incorrect, the reports that Clark and Weinberger or Clark and Weinberger and Baker or—is it incorrect that, for instance, the defense people and Jim Baker and his staff are not communicating as well as they should?

The President. Well, whether someone in a lower-down echelon thinks they're doing a service for their own shop in putting out this kind of talk or not, that's what I aim to find out. But, no, I think some of the attacks that I have seen recently, both ways, are reprehensible and do not portray the situation.

Q. So, they're not true?

The President. No. Maybe some of this comes from the way I chose to do business. It's the way I did it in California for 8 years. I understand that in the past, Cabinets, for example—each person had his own turf and no one else in the Cabinet would talk about a decision affecting the turf of that one Cabinet member.

I don't do business that way. Ours is more like a board of directors. I want all the input, because there are very few issues that don't lap over into other areas. Can you talk about farm exports without being involved with the Department of Commerce, and the Treasury Department, and so forth.

So, I want everybody's input. I want to hear all the views and all the input, and then I make the decisions. The only thing different from a board of directors is I don't take a vote. I know that I have to make the decision.

Defense Spending

Q. Well, one of the problems is that there was a feeling that you could've gotten a

better deal out of the Budget Committee if the issue of what your negotiating position was going to be—as in all negotiating, you didn't want to say too soon. Well, it appears that it may have come too late. Do you—

The President. No, what really happened was I had asked for more time to see if, number one, if the Commission that was studying the MX and all—they had not come in—whether what they came in with might change the figure that we had put in in the budget. Also, the swift drop in inflation, we thought, had made some changes. And it takes time.

There again we come back to—you can't just discuss money, you've got to discuss "What are we talking about, what are we talking about doing away with that won't cost as much and so forth?" And frankly, I had asked for time because I believed that we could have some flexibility, that our original figure could be changed.

And the committee was in markup and meeting. And I asked for more time again, and they wouldn't give more time. And the only reason I was asking for more time was it took longer than we thought. They were working on it over at the Pentagon. And they came in with a figure, and it was a lower and a compromise figure. But it was too late. They had passed their figure. Now we're going to try to get our figure—which isn't as low as theirs—we're now going to try to get it considered.

Q. The 7.5?

The President. What?

Q. The 7.5 percent?

The President. Yes.

Television News

Q. Mr. President, you mention a show biz and an emotional experience. Does that suggest that you distinguish between the coverage you get in print and on television?

The President. Well, I think I'd be quoting an awful lot of newspapermen if I said that there is a flavor of show business more to TV news than there is to the front page of a newspaper.

Q. Does that bother you?

The President. What?

Q. Does that bother you?

The President. Not when it's in my favor. [Laughter]

Paul Volcker

Q. If I could get back to Mr. Volcker just for a minute, I think it was the chairman of General Motors who said yesterday that this thing shouldn't be left hanging, that it could have a powerful effect on Wall Street, you know, the way they perceive what's going to happen here to the Federal Reserve.

Most people assume that nothing around here happens by accident. Was it an accident that some of your aides set the tone for perhaps pushing Mr. Volcker out? Does that concern you?

The President. If they did, and if those leaks—they actually were leaking this, then it had to be. As a matter of fact, I told Mr. Volcker just the other day after all of this flurry appeared that there had been no decision made nor no conversation of any kind carried on here in the administration about this. And I hope he won't mind my telling you his answer. His answer was to laugh and say, "I've been around Washington a long time. Don't worry."

Q. Well, usually, as Don was saying, it's because you're trying it out on the public. I mean, you know, there's leaks and there are leaks. And some of them help you, because you get policies across—

The President. Well, these—

Q. This one wasn't one of those?

The President. Believe me, these would not have been—what you're talking about aren't leaks, they're trial balloons.

Q. Yes, okay.

The President. No, there were no trial balloons. Because if it was a trial balloon, I would have had to know about it.

Deputy Press Secretary Speakes. You all want to get one more?

Q. Mr. President, I'd like to make a pitch that you and your associates consider sending your message on leaks and news coverage to the convention of the American Society of Newspaper Editors. I expect you don't want to visit with two newspaper groups in 2 weeks, but we hope somebody from your administration can visit with us, and I'll leave this with Mr. Speakes.

The President. Oh, all right. [*Laughing*] Okay.

Q. Thank you.

Note: The interview began at 5:08 p.m. in the Oval Office at the White House. Participants in the interview were John C. Quinn, president of Gannett Newspapers, and Ann Devroy and Don Campbell of Gannett News Service.

The transcript of the interview was released by the Office of the Press Secretary on April 27.

Remarks to Daily News Crime Fighter Award Winners in New York City *April 27, 1983*

Thank you, and, Mayor Koch—and I thank him; he is the donor of that jacket which I'm very proud to have—Commissioner McGuire, Senator D'Amato, Congressman Molinari, and James Wieghart, together with the residents of this great city, you're reminding all Americans of what is right and good about our people and our country.

My hat is off to New York and its police force for their dedicated and often thankless battle against crime. And I congratulate the New York Daily News for caring

enough about its community that it sponsors the New York Crime Fighters Award program. I understand that more than \$60,000 in those prize moneys that Mr. Wieghart mentioned have been given out so far, and that's quite an investment in our collective peace of mind.

By working together, the city and the Daily News are another example of how our public and private institutions can be made even more effective in improving the quality of our lives. But most of all, I want to thank these citizens here for—they're ev-

eryday Americans—thank them for their courage in unexpected circumstances and for their becoming heroes they were. You know, someone once said that a hero isn't braver than anyone else. He's just brave 5 minutes longer. [Laughter] I don't know whether that's the answer or not, but God bless them all.

And those who say we're in a time when there are no heroes, they just don't know where to look. They certainly haven't been flipping through the pages of the New York Daily News lately. I wish all our people could read, as I have, the accounts of your individual acts of heroism. In each case you seem to think you acted as anyone else would have in the same situation. And you spoke from your hearts about how we all depend on one another.

Alvin Torres said, "I just hope people will realize that we must all work together, citizens and police. If somebody needs help, we should try to help out. You've got to try." Well, when you read how the Torres brothers chased down a purse-snatcher wielding a knife; how Mrs. Keneally, a grandmother, collared a pickpocket by his neck scarf and gave him the back of her hand until the police arrived—I liked the picture of that one more than anything—[laughter]—and how Rabbi Rosenfeld immobilized a mugger armed with a machete; you realize there's nothing very average about the average American.

Sometimes I've accused some of our political opponents of referring so much about the common man, and I prefer to think that most Americans are pretty uncommon. Here in New York's teeming streets and boroughs and in towns and cities across America, our people do care about each other. And they're ready to help. From cabbies to construction workers to youths to grandmothers and an airman from Brook-

lyn, the people of New York are leading the way in what has become a national citizens campaign to restore security to our streets and neighborhoods. Working with their local police, they're getting results.

Seeing men and women like yourselves here today in what some say is the busiest precinct in the county—or in the country, I should say, I believe we can and we will rid ourselves of the fear that plagued us. I like to think, also, that we're not only going to rid ourselves of the fear; we're going to transfer that fear to where those skulking people who try to take advantage of their fellow citizens aren't going to just look around for the uniform. They're just going to look around and say, "I can't trust these people anymore, can't trust them to go their own way and not take us on."

Together we're working toward the day when law-abiding men and women can live in confidence and, as I say, only the criminals will be afraid.

On behalf of all Americans, I thank the New York Crime Fighters. I thank the Daily News and New York City. I'll tell your story wherever I go, because I know your courage will inspire others. In the meantime, your fellow citizens are grateful that you've made the world a little safer, a little more free, and filled with a great deal more hope.

I want to congratulate you on your awards and, again, thank you for your courage. God bless all of you, and thank all of you.

Note: The President spoke at 11:22 a.m. to the award winners and police department officers and guests at the Mid-town South Precinct Building. He was introduced by James Wieghart, editor of the New York Daily News, which sponsors the award program.

Remarks and a Question-and-Answer Session at the Annual
Convention of the American Newspaper Publishers Association in
New York City
April 27, 1983

The President. Chairman Marcil and ladies and gentlemen, I've been an after-lunch speaker a lot of times. I'm a little self-conscious being a before-lunch speaker. [Laughter] If I see you looking over your shoulder for the waiter, I'll know I've been on too long. [Laughter]

But it is a pleasure to speak to groups like yours, because I've always felt that you in the publishing business and those of us in political life have a lot in common. We both see articles in the paper that make us very angry, but there's nothing we can do about them. [Laughter]

But I thought today I'd see to it that you did get one up on your reporters and editors. You know, when I was the Governor in California, addresses to the publishers associations always seemed to follow a pattern: A public official would have to put in a few lines about the importance of a free press and the first amendment as our way of life, and then he'd go on to pitch whatever program or policy he might have been advocating that week. So, I thought maybe today we could do what we used to do there to break the boredom in California: give those of you who pay the bills and meet the payroll a chance to ask me some of the questions that perhaps some of your employees haven't gotten around to asking yet in the press conferences.

But before we get to that, I couldn't entirely pass up the opportunity to mention a few items that I think should be brought to your attention. I suppose you could call them "good news" items, but whatever label you put on them, I think they're worth a few moments.

First, of course, there's the economic recovery. Pretty soon they won't be calling it Reaganomics anymore. [Laughter]

The recovery is widely acknowledged, but I'm sure some of its dimensions may not be fully appreciated. Take some of the key economic indicators for example: Auto production is up 40 percent in the last quarter

over the same quarter a year ago; new home sales were up in February by 49 percent; building permits were up in March by 71 percent over the same time last year; and building starts are up by 75 percent. Consumer confidence has had its best monthly gain in 9 years—all the way to 77 percent as measured by the Conference Board. And it doesn't stop there.

We now have the lowest prime interest rate in 4½ years. And inflation for the last 6 months is averaging one-half of 1 percent, which is a bit better than the double-digit figures of a few years ago. In fact, it's the lowest 6-month period of inflation in more than 20 years. And I don't have to tell you the stock market is healthy again. As a matter of fact, I don't know whether there'll be some profit taking before it closes this afternoon, but right now it's up about another 8 or 9 points over yesterday's record-breaking high.

I think there's a reason for this recovery: the slowing the growth of Federal spending, cutting Federal tax rates, and restored business and public confidence after a recession whose roots stretch back for more than a decade.

I was just hoping that many of you would keep this in mind when you hear some of the pleas from Washington or, maybe, even an editor now and then wants an editorial suggesting that raising taxes and increasing domestic spending might be the way to prosperity. We're all glad that recovery is underway. But I think the generosity and the compassion of most Americans toward those who suffered during the recent recession deserves a little more news coverage than it's received.

In 1982 we had the largest level of giving to charitable organizations in our nation's history. Forty-six percent of all Americans volunteer their time, and they give an average of 17 hours per month. Corporate giving as a percentage of profits is also up

significantly. More than \$3 billion was donated.

I've been especially pleased by the new partnership that's being developed between the private sector and the public-interest groups. Here in New York, for example, the American Express Company has put to work, as part of their communications network, severely handicapped people who are confined to their homes, but can still operate computer keyboards. There are public-private partnerships taking hold in the south Bronx in an attempt to upgrade some of the dilapidated tenement buildings.

These are just examples of what's been taking place all around the country in an attempt to meet some of our critical social problems. For instance, to combat unemployment, local radio and television stations have sponsored more than 30 job-a-thons throughout the country.

Or, to take another major social problem, I know all of us were relieved to see recently that crime had actually declined by 4 percent in 1982, the sharpest decline in 5 years. The Director of the FBI, William Webster, has suggested that these new figures may well show that volunteer action through citizen crime prevention groups is having an impact on the problem.

In Philadelphia there are now 581 crime prevention groups. That's up from 167 only a couple of years ago. Here in New York, there are more than 151,000 volunteers in 13 types of programs. And lest some of you are peering closely and thinking that might be an early campaign button, I just this morning met with one of those crime groups. And they kind of gave me an honorary member[ship] in the Crime Stoppers.

And the group that I met with were a number who had been awarded by the Daily News, which is collaborating with the city police and with this group and provides cash awards to them for their heroic deeds. And to see this group of people, you could go down and just throw a rope around 40 people or so on the street, and it would be the same typical American mix.

Every one of them had performed an heroic deed at the risk of his or her life: a grandmother who had seized a robber by the scarf and was backhanding him until the police got there to rescue him from

that—[laughter]—two young Hispanic Americans who had chased down an armed robber; a rabbi who had assaulted and captured the robber whose weapon was a machete. And it went on and on. And yet you looked and you said, "This is just Americana." There must be something right about this society of ours.

You know, ever since de Tocqueville wrote with awe early in the 1800's about the spirit of American voluntarism, the spirit of neighbor helping neighbor, visitors have been astonished by the kind of gump-tion and get-up-and-go of American volunteers. I have to admit the other day I was a bit astonished myself. I was out in the Rose Garden, privileged to present the Peace Corps Volunteer Awards to a number of Americans, one of whom was a quite elderly and very tiny nun, Sister Madeline. She runs a hospital canteen in Ghana, in Africa. And as I handed her her certificate of award, she leaned over and everyone was surprised to see she was whispering something to me. And they were more surprised when I whispered something back.

Well, she was still working. She whispered to me that they really had a problem about the lack of flour in the canteen with the great hunger they're faced. And I whispered back to her that I'd see what we could do about it. And before the afternoon was over, a volunteer was taking care of it. It didn't take more than two phone calls and 3,000 pounds of flour are on their way to Sister Madeline's canteen.

This is a story that's typical of America's volunteer programs. And I also think that all of this is of interest to the public, even newsworthy. It's true that one approach to news is the man-bites-dog principle. If it's unusual, bad, or bizarre, then it's newsworthy. Maybe there's another kind of news as well, the kind that lifts our spirits by providing insights into the kind of people we are and the kind of society that we live in.

Now, as you know, I caused a bit of a flurry when I suggested recently that newsmen were overlooking some pretty remarkable stories about what's right with our society as well as what's wrong. But I have to admit it was gratifying to see on one of the networks last week the story of a Cambo-

dian girl who had been in a Communist labor camp until she was 5 years old. Her father died in that camp. Suffering from malnutrition, he was too weak to work, so he was executed. Today, that girl, who 4 years ago was helping dig ditches in Cambodia and couldn't speak any English, is in the fifth grade at Alpine Crest School in Tennessee, and today she is also the school district spelling champion.¹

Yes, I think America is a place of many social and economic problems. And, believe me, in my job I hear a lot about them. But I think it's also good for us to remind ourselves and others that our society makes it possible to contend with the recession and crime even while we offer hope to a Linn Yann and to all those living in oppression and tyranny.

This last point brings up the first responsibility of the President of the United States and of the Congress: the security of this country and the well-being of our people. And tonight I will speak directly to that issue in the context of Central America.

We're not accustomed to thinking very much about that region, not accustomed to worrying about possibly a military threat in our own hemisphere. We've almost taken for granted the friendly, independent neighbors that we have. But we can no longer ignore that there's a fire started and burning in our front yard. And we must respond with both unity and firmness of purpose.

The peoples of the hemisphere, this hemisphere, are all Americans, and all of us share a vital stake in the future of democracy and freedom. We have it within our power to act now to keep the situation manageable, and it's in this spirit that I shall speak to the Congress and to the Nation tonight.

But that's the end of the remarks that I wasn't going to make and—[laughter]—we can now turn to the questions.

Mr. Marcil. Thank you very much, Mr. President.

¹ On April 28 the President telephoned Linn Yann at the Alpine Crest Elementary School in Chattanooga, Tenn., to wish her luck in the Hamilton County, Tennessee, spelling bee.

I see Joe D. Smith is down there with an interesting question.

Paul A. Volcker

Q. [Inaudible]

Mr. Marcil. Mr. President, ladies and gentlemen, the question is that there are reports that the President does not intend—there's a question whether or not he would nominate Paul Volcker to the Fed, and we're wondering whether this is a matter—well, let me start over. [Laughter] The answer'll be shorter than the question. [Laughter]

There are reports that you do not intend to choose Paul Volcker to continue at the Fed. Mr. Volcker is widely credited with being a major influence in getting inflation down. This is a great matter of satisfaction to you. What is it about Mr. Volcker's performance that concerns you?

The President. Not a thing. And you must realize that sometimes the morning papers come to me with breakfast, and I get surprised at some of the things I'm doing myself. [Laughter]

There has never been a discussion in the White House about this. The appointment, as I understand it, comes up in August. There has been no consideration or talk of any kind about that or about whether there'd be reappointment or new appointment or what. We just haven't considered it, and we've got too much on the plate right now to consider it before we get closer to the day.

Mr. Marcil. Charlie Rowe.

Classified Information

Q. [Inaudible]

Mr. Marcil. The question from Charles Rowe of Fredericksburg, Virginia, Mr. President: Many pieces of government information are classified for reasons of administrative or political convenience, not because of national security. Yet, your administration has proposed lie detector tests and even jail terms to punish the leakers. Isn't the real problem gross over-classification? And would you really prosecute Jim Baker for a leak? [Laughter]

The President. Let me answer your ques-

tion in this way. The law [proposed law]² provides that there is a 3-year prison penalty for someone who releases classified information. And this, of course, is taken to be the information that involves our national security.

There have been leaks. And I am disturbed about many of the leaks. There has also been over-classification. But our administration, just as we've been reducing regulations and reducing taxes, we have also been campaigning and working to reduce unnecessary classification.

But I can tell you that there have been incidents that are very serious. I don't know what is in the mind of the person that will leak something of a classified nature, that suddenly finds you having to get on the phone or start the cables back and forth, because actually they have endangered our relationship with some other country. This has taken place in this 2 years and few months that I have been here.

There are other things that have been leaked that aren't necessarily classified but, again, cause great problems, because I happen to be one—that in the Cabinet process, I want all alternatives. I want all options on any problem that's confronting us before I make a decision. We run our Cabinet a little like a board of directors, the only difference being, we don't take a vote. When I've heard enough in the discussion, I make the decision. [Laughter]

And a very disturbing thing has been that sometimes, someone down the line leaks, maybe, some of these options that have simply been drafted to make sure that we get the whole picture. And suddenly we're reading in the press or hearing on television that this is what we're going to do. And in a number of cases, it hasn't even come to me or to the Cabinet yet. It's still down there in that process of putting all the options together. And, again, sometimes it has made more difficult the solution to the problem that we're trying to solve.

And so, I really am pretty upset about the leakers, but with regard to national security, we're not doing anything that I think unfairly imposes a restriction on the right of the people to know or the freedom of infor-

mation as far as you of the press are concerned. As a matter of fact, I have had now over 120 interviews since I've been in office and numerous press availabilities and so forth. So, we're not trying to hide anything that shouldn't be hidden.

Mr. Marcil. Thank you, sir. Bill Keating?

The Nation's Economy

Q. [Inaudible]

Mr. Marcil. Mr. President, ladies and gentlemen, Bill Keating from Cincinnati: Do you feel that real economic recovery is underway? And if so, how can it be sustained with huge Federal deficits?

The President. It can be sustained because it was started on a different principle than any of the seven preceeding recessions that we've had since World War II.

As you know, we've had a history of the quick fix—artificial stimulant of the money supply generates some government spending—and, yes, we would cure that immediate recession, except that we had laid the groundwork for an even worse recession about 2 to 3 years later. And this has been the whole pattern.

Well, we started with an idea of correcting what is basically wrong: that government is taking too big a share of the gross national product, too much in taxes from the people; that we've had punitive regulations toward business and industry that have prevented American industry from modernizing and being able to keep pace with our competitors worldwide. And so we set out to change this with that economic program we introduced in 1981.

Now, at no time have we been given all that we asked for in the reductions of spending. As a matter of fact, right now the '83 budget, the deficit would be \$41 billion less if we had just been given the cuts that we asked for and which were brought to us by our agency heads and Cabinet members as the figure that they said they could do the job with and live with.

The basic thing is to get inflation down. Always before in the quick-fix thing, inflation has gone up. The problem we have now with the deficits is to get them on a declining pattern. And, again, the 1984 budget that we have offered is one that

² *White House correction.*

will. The immediate deficit and probably the 1984 budget deficit are going to be rather large. But in a 5-year projection out there, they're on a downward path to where you then can look and say, continuing on this course, here's where we balance the budget.

At the same time, one of the things that has hindered recovery or modernization of business in the past is government's excessive borrowing from the private sector, which has shut off the capital supply. But our own economic program has so stimulated private savings that there is a much larger capital pool out there for borrowing, and even with the deficits that we view the government is not going to be hogging all of the private capital that is available. So, I think we're on the right track.

Mr. Marcil. Ed Hemminger.

Secretary of the Interior Watt

Q. [Inaudible]

Mr. Marcil. For those of you in the back of the room, Ed Hemminger from Findlay, Ohio, asks: Secretary Watt seems to create a lot of problems for himself and your administration on environmental issues as well as musical issues. *[Laughter]* How do you answer charges that the administration is not doing its job to protect our environment?

The President. Well, on the musical side, Nancy had to tell me that the Beach Boys weren't a rock group. *[Laughter]*

On the environmental side, I know an image has been created, and he's become quite a lightning rod, but I have to tell you that I don't know of anyone in that department who has done a better job than has been done so far with regard to environmental protection and to our refurbishing of our parks.

When we took office, we found that the National Park System was very dangerously down to a level of lack of health and safety provisions in the parks, that the funding, before our arrival—now, here I am talking about spending money, not saving it—that the funding for the maintenance and upkeep of our parks had been literally a starvation diet, about as bad as it had been for national defense. And we have spent, in just these couple of years, more than was

spent in the entire previous 4 years on putting our national parks back in shape.

But let me just, if I can, give you one example of what I think is a distortion of the record. Now, maybe sometimes he asked for it by careless remarks or something, but there has been no reduction in our ability—Good Lord, as Governor of California, we led the whole Nation in the things that we put into effect environmentally, while I was there. And this is the one thing that I'd like to mention: Before, several years ago, 174 million acres of land in the United States was classified as potential wilderness land to be added to the 80 million acres of wilderness land that we now have. But the law said that to be eligible to be added, it must be adjacent to the wilderness land. It must also meet the requirements of no roads or paths, no trails, be completely pristine and wilderness. It must not have any dual ownership, such as someone or some other government entity owning, let's say, mineral rights underneath the soil.

Now, during the previous administration, in the study of these 174 million acres, 150 million acres were ruled as not eligible under the law, and they were just taken out of the consideration. And not a word was said by anyone.

Now, this Department of Interior inherited 24 million acres left that was still supposed to be studied. And at a moment when some of them had been studied, 800,000 acres were ruled as ineligible under the law for wilderness consideration—less than a million, compared to 150 million. And somehow the whole image throughout the country was created that he'd taken a million acres or so out of the wilderness land, the existing wilderness. And he hadn't. He was still going along with the law that says we—now we've got about 23 million acres to continue studying as to whether we should add any of that to wilderness land.

His record—if anyone will look at a report on what has been done in that sector will find that we can be very proud of our environmental record in this administration. I hope the Sierra Club is listening. *[Laughter]*

Mr. Marcil. Thank you, sir. Ed Jones.

Situation in Lebanon

Q. [Inaudible]

Mr. Marcil. John Jones from Greeneville, Tennessee, asks: You have sent U.S. troops to Lebanon, which is a danger to them and which also offers the threat of U.S. military involvement in a Mideast war. When are you going to bring the troops home?

The President. Well, I don't believe that there's danger of us being involved in that war. We did this at a request—along with our allies in the multinational force, as it's called—to help provide order while the Lebanese Government—this was anticipating the removal from Lebanon's soil of Syrian troops, several thousand PLO that are still in there, and the Israeli troops—until Lebanon, which for 8 years has been in, virtually, a state of war between various fighting factions and has not been in charge of its own destiny—that Lebanon can assume the sovereignty over its own soil. And in order to permit them to do that and to bring these factions together, the multinational force was created as a kind of an, as I say, an order-keeping force. There's no intention of them engaging in combat, fighting on one side or the other with any faction.

We've made great progress with Israel in regard to the agreement of them withdrawing below their northern border. There are

still a few sticking points, and that's why George Shultz has gone over there now to see if those can't be removed. The Syrians and the PLO have both announced several times that if Israel leaves, they will withdraw also. And at that point—and we've sent training forces over also to help in the training of the Lebanese Army. And as soon as this is done and Lebanon has sovereignty again and responsibility for its own borders we'll bring our multinational forces home.

Mr. Marcil. Thank you very much, Mr. President. It's been an honor having you with us. We'd like to have you do just—[applause]. Thank you very much. We'd like to ask you to do just one thing for us when you get back to the White House. Please give our best wishes to a man whose professionalism and courage we so much admire: Jim Brady.

Note: The President spoke at 1:04 p.m. in the Grand Ballroom at the Waldorf Astoria Hotel. He was introduced by William Marcil, chairman of the American Newspaper Publishers Association.

Prior to his appearance before the luncheon, the President attended separate receptions at the hotel for New York Republican Party members and headtable guests at the association's luncheon.

Following his remarks, the President returned to Washington, D.C.

Nomination of Madeleine C. Will To Be an Assistant Secretary of Education

April 27, 1983

The President today announced his intention to nominate Madeleine C. Will to be Assistant Secretary for Special Education and Rehabilitative Services, Department of Education. She would succeed Jean Tufts.

Mrs. Will currently serves as chairman of the government affairs committee for the Maryland Association for Retarded Citizens; member, government affairs committee, National Association of Retarded Citizens; member, expansions committee, Maryland Department of Disabilities Administration;

assistant coordinator for the Seminar on Community-Living Alternatives for Severely Handicapped Children and Adults, Maryland Department of Health and Human Services; and, consultant to the Rock Creek Foundation. She was chairman of the government affairs committee of the Montgomery County Association for Retarded Citizens in 1979 and a panelist for the White House Conference on Aging in 1977.

She graduated from Hartford College for Women (A.A., 1965), Smith College (B.A.,

1967), and the University of Toronto (M.A., 1969). She is married, has three children,

and resides in Chevy Chase, Md. She was born August 9, 1945, in Hartford, Conn.

Address Before a Joint Session of the Congress on Central America *April 27, 1983*

Mr. Speaker, Mr. President, distinguished Members of the Congress, honored guests, and my fellow Americans:

A number of times in past years, Members of Congress and a President have come together in meetings like this to resolve a crisis. I have asked for this meeting in the hope that we can prevent one.

It would be hard to find many Americans who aren't aware of our stake in the Middle East, the Persian Gulf, or the NATO line dividing the free world from the Communist bloc. And the same could be said for Asia.

But in spite of, or maybe because of, a flurry of stories about places like Nicaragua and El Salvador and, yes, some concerted propaganda, many of us find it hard to believe we have a stake in problems involving those countries. Too many have thought of Central America as just that place way down below Mexico that can't possibly constitute a threat to our well-being. And that's why I've asked for this session. Central America's problems do directly affect the security and the well-being of our own people. And Central America is much closer to the United States than many of the world troublespots that concern us. So, we work to restore our own economy; we cannot afford to lose sight of our neighbors to the south.

El Salvador is nearer to Texas than Texas is to Massachusetts. Nicaragua is just as close to Miami, San Antonio, San Diego, and Tucson as those cities are to Washington, where we're gathered tonight.

But nearness on the map doesn't even begin to tell the strategic importance of Central America, bordering as it does on the Caribbean—our lifeline to the outside world. Two-thirds of all our foreign trade and petroleum pass through the Panama Canal and the Caribbean. In a European

crisis at least half of our supplies for NATO would go through these areas by sea. It's well to remember that in early 1942, a handful of Hitler's submarines sank more tonnage there than in all of the Atlantic Ocean. And they did this without a single naval base anywhere in the area. And today, the situation is different. Cuba is host to a Soviet combat brigade, a submarine base capable of servicing Soviet submarines, and military air bases visited regularly by Soviet military aircraft.

Because of its importance, the Caribbean Basin is a magnet for adventurism. We're all aware of the Libyan cargo planes refueling in Brazil a few days ago on their way to deliver "medical supplies" to Nicaragua. Brazilian authorities discovered the so-called medical supplies were actually munitions and prevented their delivery.

You may remember that last month, speaking on national television, I showed an aerial photo of an airfield being built on the island of Grenada. Well, if that airfield had been completed, those planes could have refueled there and completed their journey.

If the Nazis during World War II and the Soviets today could recognize the Caribbean and Central America as vital to our interests, shouldn't we, also? For several years now, under two administrations, the United States has been increasing its defense of freedom in the Caribbean Basin. And I can tell you tonight, democracy is beginning to take root in El Salvador, which, until a short time ago, knew only dictatorship.

The new government is now delivering on its promises of democracy, reforms, and free elections. It wasn't easy, and there was resistance to many of the attempted reforms, with assassinations of some of the reformers. Guerrilla bands and urban terrorists were portrayed in a worldwide propa-

ganda campaign as freedom fighters, representative of the people. Ten days before I came into office, the guerrillas launched what they called "a final offensive" to overthrow the government. And their radio boasted that our new administration would be too late to prevent their victory.

Well, they learned that democracy cannot be so easily defeated. President Carter did not hesitate. He authorized arms and munitions to El Salvador. The guerrilla offensive failed, but not America's will. Every President since this country assumed global responsibilities has known that those responsibilities could only be met if we pursued a bipartisan foreign policy.

As I said a moment ago, the Government of El Salvador has been keeping its promises, like the land reform program which is making thousands of farm tenants, farm owners. In a little over 3 years, 20 percent of the arable land in El Salvador has been redistributed to more than 450,000 people. That's one in ten Salvadorans who have benefited directly from this program.

El Salvador has continued to strive toward an orderly and democratic society. The government promised free elections. On March 28th, a little more than a year ago, after months of campaigning by a variety of candidates, the suffering people of El Salvador were offered a chance to vote, to choose the kind of government they wanted. And suddenly, the so-called freedom fighters in the hills were exposed for what they really are—a small minority who want power for themselves and their backers, not democracy for the people. The guerrillas threatened death to anyone who voted. They destroyed hundreds of buses and trucks to keep the people from getting to the polling places. Their slogan was brutal: "Vote today, die tonight." But on election day, an unprecedented 80 percent of the electorate braved ambush and gunfire and trudged for miles, many of them, to vote for freedom. Now, that's truly fighting for freedom. We can never turn our backs on that.

Members of this Congress who went there as observers told me of a woman who was wounded by rifle fire on the way to the polls, who refused to leave the line to have her wound treated until after she had

voted. Another woman had been told by the guerrillas that she would be killed when she returned from the polls, and she told the guerrillas, "You can kill me, you can kill my family, you can kill my neighbors. You can't kill us all." The real freedom fighters of El Salvador turned out to be the people of that country—the young, the old, the in-between—more than a million of them out of a population of less than 5 million. The world should respect this courage and not allow it to be belittled or forgotten. And again I say, in good conscience, we can never turn our backs on that.

The democratic political parties and factions in El Salvador are coming together around the common goal of seeking a political solution to their country's problems. New national elections will be held this year, and they will be open to all political parties. The government has invited the guerrillas to participate in the election and is preparing an amnesty law. The people of El Salvador are earning their freedom, and they deserve our moral and material support to protect it.

Yes, there are still major problems regarding human rights, the criminal justice system, and violence against noncombatants. And, like the rest of Central America, El Salvador also faces severe economic problems. But in addition to recession-depressed prices for major agricultural exports, El Salvador's economy is being deliberately sabotaged.

Tonight in El Salvador—because of ruthless guerrilla attacks—much of the fertile land cannot be cultivated; less than half the rolling stock of the railways remains operational; bridges, water facilities, telephone and electric systems have been destroyed and damaged. In one 22-month period, there were 5,000 interruptions of electrical power. One region was without electricity for a third of the year.

I think Secretary of State Shultz put it very well the other day: "Unable to win the free loyalty of El Salvador's people, the guerrillas," he said, "are deliberately and systematically depriving them of food, water, transportation, light, sanitation, and jobs. And these are the people who claim they want to help the common people."

They don't want elections because they know they'd be defeated. But, as the previous election showed, the Salvadoran people's desire for democracy will not be defeated.

The guerrillas are not embattled peasants, armed with muskets. They're professionals, sometimes with better training and weaponry than the government's soldiers. The Salvadoran battalions that have received U.S. training have been conducting themselves well on the battlefield and with the civilian population. But so far, we've only provided enough money to train one Salvadoran soldier out of ten, fewer than the number of guerrillas that are trained by Nicaragua and Cuba.

And let me set the record straight on Nicaragua, a country next to El Salvador. In 1979 when the new government took over in Nicaragua, after a revolution which overthrew the authoritarian rule of Somoza, everyone hoped for the growth of democracy. We in the United States did, too. By January of 1981, our emergency relief and recovery aid to Nicaragua totalled \$118 million—more than provided by any other developed country. In fact, in the first 2 years of Sandinista rule, the United States directly or indirectly sent five times more aid to Nicaragua than it had in the 2 years prior to the revolution. Can anyone doubt the generosity and the good faith of the American people?

These were hardly the actions of a nation implacably hostile to Nicaragua. Yet, the Government of Nicaragua has treated us as an enemy. It has rejected our repeated peace efforts. It has broken its promises to us, to the Organization of American States and, most important of all, to the people of Nicaragua.

No sooner was victory achieved than a small clique ousted others who had been part of the revolution from having any voice in the government. Humberto Ortega, the Minister of Defense, declared Marxism-Leninism would be their guide, and so it is.

The Government of Nicaragua has imposed a new dictatorship. It has refused to hold the elections it promised. It has seized control of most media and subjects all media to heavy prior censorship. It denied

the bishops and priests of the Roman Catholic Church the right to say Mass on radio during Holy Week. It insulted and mocked the Pope. It has driven the Miskito Indians from their homelands, burning their villages, destroying their crops, and forcing them into involuntary internment camps far from home. It has moved against the private sector and free labor unions. It condoned mob action against Nicaragua's independent human rights commission and drove the director of that commission into exile.

In short, after all these acts of repression by the government, is it any wonder that opposition has formed? Contrary to propaganda, the opponents of the Sandinistas are not diehard supporters of the previous Somoza regime. In fact, many are anti-Somoza heroes and fought beside the Sandinistas to bring down the Somoza government. Now they've been denied any part in the new government because they truly wanted democracy for Nicaragua and they still do. Others are Miskito Indians fighting for their homes, their lands, and their lives.

The Sandinista revolution in Nicaragua turned out to be just an exchange of one set of autocratic rulers for another, and the people still have no freedom, no democratic rights, and more poverty. Even worse than its predecessor, it is helping Cuba and the Soviets to destabilize our hemisphere.

Meanwhile, the Government of El Salvador, making every effort to guarantee democracy, free labor unions, freedom of religion, and a free press, is under attack by guerrillas dedicated to the same philosophy that prevails in Nicaragua, Cuba, and, yes, the Soviet Union. Violence has been Nicaragua's most important export to the world. It is the ultimate in hypocrisy for the unelected Nicaraguan Government to charge that we seek their overthrow, when they're doing everything they can to bring down the elected Government of El Salvador. *[Applause]* Thank you. The guerrilla attacks are directed from a headquarters in Managua, the capital of Nicaragua.

But let us be clear as to the American attitude toward the Government of Nicaragua. We do not seek its overthrow. Our interest is to ensure that it does not infect

its neighbors through the export of subversion and violence. Our purpose, in conformity with American and international law, is to prevent the flow of arms to El Salvador, Honduras, Guatemala, and Costa Rica. We have attempted to have a dialog with the Government of Nicaragua, but it persists in its efforts to spread violence.

We should not, and we will not, protect the Nicaraguan Government from the anger of its own people. But we should, through diplomacy, offer an alternative. And as Nicaragua ponders its options, we can and will—with all the resources of diplomacy—protect each country of Central America from the danger of war.

Even Costa Rica, Central America's oldest and strongest democracy—a government so peaceful it doesn't even have an army—is the object of bullying and threats from Nicaragua's dictators.

Nicaragua's neighbors know that Sandinista promises of peace, nonalliance, and nonintervention have not been kept. Some 36 new military bases have been built. There were only 13 during the Somoza years. Nicaragua's new army numbers 25,000 men, supported by a militia of 50,000. It is the largest army in Central America, supplemented by 2,000 Cuban military and security advisers. It is equipped with the most modern weapons—dozens of Soviet-made tanks, 800 Soviet-bloc trucks, Soviet 152-millimeter howitzers, 100 anti-aircraft guns, plus planes and helicopters. There are additional thousands of civilian advisers from Cuba, the Soviet Union, East Germany, Libya, and the PLO. And we're attacked because we have 55 military trainers in El Salvador.

The goal of the professional guerrilla movements in Central America is as simple as it is sinister: to destabilize the entire region from the Panama Canal to Mexico. And if you doubt beyond this point, just consider what Cayetano Cárpio, the now-deceased Salvadoran guerrilla leader, said earlier this month. Cárpio said that after El Salvador falls, El Salvador and Nicaragua would be "arm-in-arm and struggling for the total liberation of Central America."

Nicaragua's dictatorial junta, who themselves made war and won power operating from bases in Honduras and Costa Rica, like

to pretend that they are today being attacked by forces based in Honduras. The fact is, it is Nicaragua's government that threatens Honduras, not the reverse. It is Nicaragua who has moved heavy tanks close to the border, and Nicaragua who speaks of war. It was Nicaraguan radio that announced on April 8th the creation of a new, unified, revolutionary coordinating board to push forward the Marxist struggle in Honduras.

Nicaragua, supported by weapons and military resources provided by the Communist bloc, represses its own people, refuses to make peace, and sponsors a guerrilla war against El Salvador.

President Truman's words are as apt today as they were in 1947 when he, too, spoke before a joint session of the Congress:

"At the present moment in world history, nearly every nation must choose between alternate ways of life. The choice is not too often a free one. One way of life is based upon the will of the majority and is distinguished by free institutions, representative government, free elections, guarantees of individual liberty, freedom of speech and religion, and freedom from political oppression. The second way of life is based upon the will of a minority forcibly imposed upon the majority. It relies upon terror and oppression, a controlled press and radio, fixed elections, and the suppression of personal freedoms.

"I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures. I believe that we must assist free peoples to work out their own destinies in their own way. I believe that our help should be primarily through economic and financial aid which is essential to economic stability and orderly political processes.

"Collapse of free institutions and loss of independence would be disastrous not only for them but for the world. Discouragement and possibly failure would quickly be the lot of neighboring peoples striving to maintain their freedom and independence."

The countries of Central America are smaller than the nations that prompted President Truman's message. But the politi-

cal and strategic stakes are the same. Will our response—economic, social, military—be as appropriate and successful as Mr. Truman's bold solutions to the problems of postwar Europe?

Some people have forgotten the successes of those years and the decades of peace, prosperity, and freedom they secured. Some people talk as though the United States were incapable of acting effectively in international affairs without risking war or damaging those we seek to help.

Are democracies required to remain passive while threats to their security and prosperity accumulate? Must we just accept the destabilization of an entire region from the Panama Canal to Mexico on our southern border? Must we sit by while independent nations of this hemisphere are integrated into the most aggressive empire the modern world has seen? Must we wait while Central Americans are driven from their homes like the more than a million who've sought refuge out of Afghanistan, or the 1½ million who have fled Indochina, or the more than a million Cubans who have fled Castro's Caribbean utopia? Must we, by default, leave the people of El Salvador no choice but to flee their homes, creating another tragic human exodus?

I don't believe there's a majority in the Congress or the country that counsels passivity, resignation, defeatism, in the face of this challenge to freedom and security in our own hemisphere. [*Applause*] Thank you. Thank you.

I do not believe that a majority of the Congress or the country is prepared to stand by passively while the people of Central America are delivered to totalitarianism and we ourselves are left vulnerable to new dangers.

Only last week, an official of the Soviet Union reiterated Brezhnev's threat to station nuclear missiles in this hemisphere, 5 minutes from the United States. Like an echo, Nicaragua's Commandante Daniel Ortega confirmed that, if asked, his country would consider accepting those missiles. I understand that today they may be having second thoughts.

Now, before I go any further, let me say to those who invoke the memory of Vietnam, there is no thought of sending Ameri-

can combat troops to Central America. They are not needed—[*applause*]—

Thank you. And, as I say, they are not needed and, indeed, they have not been requested there. All our neighbors ask of us is assistance in training and arms to protect themselves while they build a better, freer life.

We must continue to encourage peace among the nations of Central America. We must support the regional efforts now underway to promote solutions to regional problems.

We cannot be certain that the Marxist-Leninist bands who believe war is an instrument of politics will be readily discouraged. It's crucial that we not become discouraged before they do. Otherwise, the region's freedom will be lost and our security damaged in ways that can hardly be calculated.

If Central America were to fall, what would the consequences be for our position in Asia, Europe, and for alliances such as NATO? If the United States cannot respond to a threat near our own borders, why should Europeans or Asians believe that we're seriously concerned about threats to them? If the Soviets can assume that nothing short of an actual attack on the United States will provoke an American response, which ally, which friend will trust us then?

The Congress shares both the power and the responsibility for our foreign policy. Tonight, I ask you, the Congress, to join me in a bold, generous approach to the problems of peace and poverty, democracy and dictatorship in the region. Join me in a program that prevents Communist victory in the short run, but goes beyond, to produce for the deprived people of the area the reality of present progress and the promise of more to come.

Let us lay the foundation for a bipartisan approach to sustain the independence and freedom of the countries of Central America. We in the administration reach out to you in this spirit.

We will pursue four basic goals in Central America:

First, in response to decades of inequity and indifference, we will support democracy, reform, and human freedom. This means using our assistance, our powers of

persuasion, and our legitimate leverage to bolster humane democratic systems where they already exist and to help countries on their way to that goal complete the process as quickly as human institutions can be changed. Elections in El Salvador and also in Nicaragua must be open to all, fair and safe. The international community must help. We will work at human rights problems, not walk away from them.

Second, in response to the challenge of world recession and, in the case of El Salvador, to the unrelenting campaign of economic sabotage by the guerrillas, we will support economic development. And by a margin of 2 to 1 our aid is economic now, not military. Seventy-seven cents out of every dollar we will spend in the area this year goes for food, fertilizers, and other essentials for economic growth and development. And our economic program goes beyond traditional aid. The Caribbean Initiative introduced in the House earlier today will provide powerful trade and investment incentives to help these countries achieve self-sustaining economic growth without exporting U.S. jobs. Our goal must be to focus our immense and growing technology to enhance health care, agriculture, industry, and to ensure that we who inhabit this interdependent region come to know and understand each other better, retaining our diverse identities, respecting our diverse traditions and institutions.

And, *third*, in response to the military challenge from Cuba and Nicaragua—to their deliberate use of force to spread tyranny—we will support the security of the region's threatened nations. We do not view security assistance as an end in itself, but as a shield for democratization, economic development, and diplomacy. No amount of reform will bring peace so long as guerrillas believe they will win by force. No amount of economic help will suffice if guerrilla units can destroy roads and bridges and power stations and crops, again and again, with impunity. But with better training and material help, our neighbors can hold off the guerrillas and give democratic reform time to take root.

And, *fourth*, we will support dialog and negotiations both among the countries of the region and within each country. The

terms and conditions of participation in elections are negotiable. Costa Rica is a shining example of democracy. Honduras has made the move from military rule to democratic government. Guatemala is pledged to the same course. The United States will work toward a political solution in Central America which will serve the interests of the democratic process.

To support these diplomatic goals, I offer these assurances: The United States will support any agreement among Central American countries for the withdrawal, under fully verifiable and reciprocal conditions, of all foreign military and security advisers and troops. We want to help opposition groups join the political process in all countries and compete by ballots instead of bullets. We will support any verifiable, reciprocal agreement among Central American countries on the renunciation of support for insurgencies on neighbors' territory. And, finally, we desire to help Central America end its costly arms race and will support any verifiable, reciprocal agreements on the nonimportation of offensive weapons.

To move us toward these goals more rapidly, I am tonight announcing my intention to name an Ambassador at Large as my special envoy to Central America. He or she will report to me through the Secretary of State. The Ambassador's responsibilities will be to lend U.S. support to the efforts of regional governments to bring peace to this troubled area and to work closely with the Congress to assure the fullest possible, bipartisan coordination of our policies toward the region.

What I'm asking for is prompt congressional approval for the full reprogramming of funds for key current economic and security programs so that the people of Central America can hold the line against externally supported aggression. In addition, I am asking for prompt action on the supplemental request in these same areas to carry us through the current fiscal year and for early and favorable congressional action on my requests for fiscal year 1984.

And finally, I am asking that the bipartisan consensus, which last year acted on the trade and tax provisions of the Caribbean

Basin Initiative in the House, again take the lead to move this vital proposal to the floor of both Chambers. And, as I said before, the greatest share of these requests is targeted toward economic and humanitarian aid, not military.

What the administration is asking for on behalf of freedom in Central America is so small, so minimal, considering what is at stake. The total amount requested for aid to all of Central America in 1984 is about \$600 million. That's less than one-tenth of what Americans will spend this year on coin-operated video games.

In summation, I say to you that tonight there can be no question: The national security of all the Americas is at stake in Central America. If we cannot defend ourselves there, we cannot expect to prevail elsewhere. Our credibility would collapse, our

alliances would crumble, and the safety of our homeland would be put in jeopardy.

We have a vital interest, a moral duty, and a solemn responsibility. This is not a partisan issue. It is a question of our meeting our moral responsibility to ourselves, our friends, and our posterity. It is a duty that falls on all of us—the President, the Congress, and the people. We must perform it together. Who among us would wish to bear responsibility for failing to meet our shared obligation?

Thank you, God bless you, and good night.

Note: The President spoke at 8:04 p.m. in the House Chamber of the Capitol. He was introduced by Thomas P. O'Neill, Jr., Speaker of the House of Representatives. The address was broadcast live on nationwide radio and television.

Message to the Congress Transmitting the Annual Report on Radiation Control for Health and Safety

April 28, 1983

To the Congress of the United States:

In accordance with Section 360D of the Public Health Service Act (42 U.S.C. 263 l), I am submitting the report of the Department of Health and Human Services regarding the administration of the Radiation Control for Health and Safety Act during calendar year 1982.

The report recommends that Section 360D of the Public Health Service Act that requires the completion of this annual

report be repealed. All of the information found in this report is available to Congress on a more immediate basis through Congressional Committee oversight and budget hearings and the FDA Annual Report. This annual report serves little useful purpose and diverts Agency resources from more productive activities.

RONALD REAGAN

The White House,
April 28, 1983.

Appointment of Four Members of the White House Staff

April 28, 1983

The President today announced the following appointments to the Office of Public Liaison. These four individuals will report to Faith Ryan Whittlesey, Assistant to the President for Public Liaison.

Jonathan Vipond III, to be Deputy Assistant to the President for Public Liaison. In addition, he will serve as Chief Manager of the Office of Public Liaison. Mr. Vipond formerly served as a member of the Pennsylvania House of Repre-

sentatives and most recently held the position of chief counsel in the Pennsylvania Department of Public Welfare in Harrisburg, Pa. He has been a practicing attorney for 12 years. He graduated from Williams College (B.A., 1967) and the University of Pennsylvania Law School (J.D., 1970). He was born January 9, 1945, in Scranton, Pa.

John H. Rousselot, to be Special Assistant to the President for Public Liaison. He will also serve as Deputy Director of the Office of Public Liaison. He will oversee White House relationships with business and other constituencies concerned with issues of commerce, trade, and agriculture. Recently he was a partner with the firm of Alcalde, Henderson & O'Bannon in Washington, D.C. Previously he was elected to seven terms in the U.S. House of Representatives. During his tenure, the former California Congressman served on congressional committees dealing with banking, finance, and taxation issues. He graduated from Principia College (A.B., 1949). He was born November 1, 1927, in Los Angeles, Calif.

Mary Jo Jacobi, to be Special Assistant to the President for Public Liaison. Her responsibilities will include working with the business

community, with special emphasis on issues of concern to women and minorities. Since February 1982 she has served as Director of the Office of Business Liaison in the Department of Commerce. Previously she was government relations administrator and manager of regulatory affairs for the 3M Co. in 1979–1981. She graduated from Loyola University of the South (1973) and George Washington University (M.B.A., 1976). She was born December 7, 1951, in Bay St. Louis, Miss.

Judi Buckalew, to be Special Assistant to the President for Public Liaison. She will be responsible for a wide range of public liaison issues, including social service and health-related issues. Her responsibilities will also include working with Dee Jepsen, Special Assistant to the President for Public Liaison, on issues of concern to women. She was legislative assistant to U.S. Senator Dan Quayle in 1982–1983. Previously she was a professional staff member of the U.S. Senate Labor and Human Resources Committee in 1981–1982. She has been a registered nurse since 1968, practicing for 12 years. She graduated from the William Paterson College (B.S., 1974) and the University of California, Los Angeles (M.P.H., 1979). She was born July 2, 1947, in Paterson, N.J.

Remarks of the President and Prime Minister Pierre Elliott Trudeau of Canada Following Their Meetings

April 28, 1983

The President. I have just concluded a productive meeting and lunch with Prime Minister Trudeau and the other representatives of the Canadian Government. There's no country for whom the people of the United States feel a deeper affection than your own, Mr. Prime Minister, and I'm particularly pleased that you and your colleagues were able to come at this time.

Our talks touched on a number of issues of mutual concern to the people of our two countries. We discussed our search for solutions to economic problems facing Canada and the United States as well as the less fortunate countries and our efforts to achieve peace and security throughout the world. We also examined several pressing bilateral issues.

I'm pleased that we continue to approach these areas of common concern in a cooper-

ative spirit based on our shared democratic values and traditions. The Prime Minister and I agree that challenges also present opportunities and can be used as stepping-stones toward a secure and prosperous world that we both seek.

Much of our discussion today focused on the upcoming Williamsburg Summit, and we agreed that this meeting comes at an opportune moment. The Western economies are pulling out of the serious recession, and we're seeking ways to ensure continued progress. The Prime Minister and I are confident of an open and free exchange at Williamsburg, that it will contribute to a better understanding and encourage the creative approaches for economic cooperation. We discussed the importance of resisting protectionist pressures and maintaining the open trade and investment policies that

have served us so well.

The issue of security was also a part of our discussions. I outlined the need to maintain effective deterrent force and to achieve real movement toward the reduction of nuclear weapons. The Prime Minister was supportive and emphasized Canada's earnest hope that the talks in Geneva will lead to a safer world.

We also discussed the need for progress in strengthening measures to prevent nuclear proliferation, including the importance of having other supplier states adopt the comprehensive safeguards for export requirement.

And this is the eighth time since taking office that I've had the pleasure of meeting with Prime Minister Trudeau, and as always I welcomed his counsel. And I look forward to our future meetings and delighted to have you here again, Mr. Prime Minister.

The Prime Minister. Well, Mr. President, you have set out the agenda of our talks very thoroughly. I don't think I can add or subtract from it.

I would perhaps, following another track, suggest that on the arrangements for Williamsburg, I was particularly happy that you confirmed to me that you would be determined, as you said you would be, to ensure that the talks at Williamsburg were unstructured and, hopefully, that we won't be meeting in order to justify an agenda and a communique that other people had written for us beforehand, but that we would be meeting there much in the spirit that you and I have been meeting these past hours, to really exchange ideas, to get to the bottom of our feelings, so that we can contribute—and it would be the first time, I think, in a spontaneous way at these summits—contribute to the building of a consensus, rather than, once again, trying to talk in a way that's said that our Sherpas had prepared a consensus before, and they wrote a communique, and we were trying to live up to it.

And that is what I find very exciting about this coming Williamsburg Summit, that the material arrangements that you are taking and your intentions, as you expressed them to me, do lead me to hope that on economic matters, first, that we will really

be asking each other questions and looking together for creative answers on the various problems you've mentioned, including the most serious overriding problem of the world trade and payment system, including the effect of the huge Third World debt now on our own coming prosperity. We, too, believe that the economy has turned around, that this is our duty to make sure that at Williamsburg that that recovery is lasting and deep and not just another hope in people's minds.

You mentioned our discussions on security. I'm happy to repeat that the two-track policy, the NATO two-track policy, is being followed, I believe, by your government, sir, and, certainly, by the other NATO governments in that we are every bit as determined to make the effort to reduce the number and strength of the SS-20's, which are aimed at Western Europe—negotiations to get a reduction or, hopefully, even the disappearance of those, as are our efforts to ensure that the other track, the one of the deployment of the Pershing II's and of the land-based cruise missiles is followed.

In other words, I've been encouraged by the steps that you've taken, Mr. President, in the past months when you proposed an interim solution different from the zero-option, when you proposed a series of confidence-building measures. I think these are all initiatives which we need in NATO so that our people will understand that we want peace and that we're not determined to escalate any arms race. We're more determined to seek ways of reaching a lasting peace and that that is very much part of our politics. And, as I say, I've felt encouraged by the steps that your administration, sir, has taken in the last few weeks.

I could go on, but I won't. *[Laughter]* I'll get a sunburn if I do.

[At this point, the Prime Minister summarized his remarks in French. Those remarks, which were not translated, were not included in the White House press release.]

Note: The President spoke at 1:31 p.m. to reporters assembled at the South Portico of the White House.

Earlier, the President and the Prime Minister met in the Oval Office and then held

a working luncheon, together with U.S. and Canadian officials, in the Residence.

Designation of Rhea Seddon as United States Representative to the Australia-America Friendship Week Celebrations

April 28, 1983

The President today announced the designation of Rhea Seddon of Murfreesboro, Tenn., to represent the United States at the annual Australia-America Friendship Week celebrations in Australia, May 1 to May 8, 1983. Dr. Seddon will be accompanied on her trip by her husband, astronaut Robert L. Gibson. The party will be guests of honor at celebrations sponsored by the Australian-American Association in the cities of Sydney, Melbourne, and Canberra.

Australia-American Friendship Week celebrates the close friendship and alliance between the Australian and American peoples forged on the Pacific battlefields of World War II and in Korea and Vietnam. It particularly commemorates the Battle of the Coral Sea, May 7–8, 1942, during which American and Australian naval and air forces effectively blocked a Japanese attempt to seize Port Moresby in New Guinea and thereby threaten northeastern Australia.

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Dr. Seddon was selected as an astronaut candidate by NASA in January 1978. In August 1979 she completed a 1-year training and evaluation period making her eligible for assignment as a mission specialist on future space shuttle flight crews. She graduated from the University of California at Berkeley (B.A., 1970) and the University of Tennessee (M.D., 1973). After medical school, Dr. Seddon completed a surgical internship and 3 years of a general surgery residency in Memphis, with a particular interest in surgical nutrition. She was born November 8, 1947, in Murfreesboro, Tenn.

Among the distinguished Americans who have attended Australia-America Friendship celebrations in past years are Vice President George Bush, businessman Joseph Coors, astronauts Walter Cunningham, John Swigert, and Harrison Schmitt, and then-Secretary of Health, Education, and Welfare Caspar Weinberger.

Question-and-Answer Session With Reporters on the Nomination of Richard B. Stone To Be Ambassador at Large, Serving as Special Representative of the President to Central America

April 28, 1983

Deputy Press Secretary Speakes. The President today is announcing his intention to nominate Richard B. Stone to be Ambassador at Large, to serve as Special Representative of the President to Central America. Senator Stone is here and will answer your questions.

Senator Stone. Thank you, Larry.

Q. Why did it take so long? What was the delay?

Senator Stone. I think that the White

House had to check with the State delegation and with Members of Congress in general.

Q. Senator, there are a lot of people on the Hill who are saying that even the Republican Senators were not happy about your selection; that they don't think you have the diplomatic credentials, the stature, or—nothing personal, of course. [*Laughter*] But how do you feel about that?

Senator Stone. I feel pretty good about it

because I know those gentlemen and it's going to work out just fine. And I think that the vote, the confirming vote will be strong and supportive. I need a strong, supportive vote to do a job as difficult as this. It isn't going to be easy.

Q. Do you feel you have the credentials to carry enough weight in the region?

Senator Stone. I have many friends there, I speak Spanish, I've carried out at least one successful mission, and I think that I can advance the diplomatic principles clearly spelled out in the President's speech of last night.

Q. Senator, why is it that the President didn't come out and make this announcement to add a little push to the problems you might have solving—

Senator Stone. Well, that's a very early question. If you'll ask that again at the end of the conference, then I'll answer it then.

Q. Is he coming out?

Q. I have a question.

Senator Stone. Yes, sir—in the back.

Q. Senator, can you tell us what this job will be as you understand it, as exactly as you can?

Senator Stone. Using the four principles announced in the President's speech last night and the four assurances, diplomatic assurances in support of those four goals, the envoy will do his best to meet—both within countries and as between countries in Central America—to try to move our difficulties and their difficulties to the conference table, to invite opposition groups to participate in a peaceful political process, and to facilitate and support the efforts of the Latin nations themselves to set their own agendas and advance those agendas towards peace.

Q. Senator, one of the problems that some people who have been critical of this selection are saying is that you are so identified with the right-wing elements in Latin America that you would not be a credible representative to bring in the left-wing insurgents into these conferences and negotiations. Can you answer that criticism?

Senator Stone. I don't think that this is a matter of personality so much as it is principle. If the left, or all opposition groups—because some are left and some are not left—if all opposition groups consent to par-

ticipate in a peaceful political process, not only will I not stand in the way, I'm going to do everything I can to advance that process.

Q. How do you bring in the left if they don't trust you?

Senator Stone. It's not a question of trusting me; it's a question of trusting the Latin nations themselves. They are going to set this agenda, and we will do our best to support that agenda. For example, there is a group known as the Contadora Four—Mexico, Panama, Venezuela, and Colombia. They have been working diligently to try to set an agenda for peace conferences, peace talks. We will support that. Another more expanded group is called Five-Plus-Five. Another group participated in the San Jose meetings that resulted in the San Jose Principles. And within countries, for example, within Salvador, we have an appointed Peace Commission headed by a Roman Catholic bishop and made up of two independents—I'll get to you in one second, Lou [Lou Cannon, Washington Post].

So, I think that I will do my very best, speaking on behalf of the President, on behalf of the Secretary of State, really on behalf of all Americans who want peace. And I think that the trustworthiness of the American people and the American government is beyond reproach. I'll advance that trustworthiness as an asset.

Q. How optimistic are you, Senator, of a negotiated settlement to the conflict in El Salvador? And if you think that is possible, what kind of a time frame are we talking about in your mind, realizing that you can't be precise about it?

Senator Stone. The odds are long. It's a very difficult situation. Anyone who thinks that a mere invitation to peace will produce peace is just inaccurate and unrealistic. This will be just as hard a fight as military fighting is hard. But it is so worthwhile and it is in so much in everyone's interest, that I hope and trust we can advance towards it. As to how long it takes, obviously, the sooner the better. We'll do the best we can. I'll draw on every resource of the ARA Bureau [Bureau of Inter-American Affairs], of Assistant Secretary Enders and his very capable staff, as well as Members of Con-

gress, leaders in this country, and men and women of good will everywhere.

Q. Is there anyone in Central America, Latin America, including Cuba, that you are off limits to talk to?

Senator Stone. I think that when we get into the details of how this mission will be carried out or who will be talked to or the timetables, that is the kind of question that has to be reserved for the Senate Foreign Relations Committee. I'm going to answer all their questions, and I hope and trust that that one and others will be asked. And by that time, we'll have appropriate answers fully cleared by the State Department, as well as just one person standing up here.

Q. Won't your past service on behalf of the Guatemalan government hurt you both on the Hill and in the region?

Senator Stone. I really don't think so. My two assignments were to try to advance towards a peace with Belize and to try to get an improvement of human rights in Guatemala sufficient to entitle and warrant a restoration of U.S. relations and support. And I worked very diligently towards that with the ARA Bureau, with Secretary Enders, with the Director of Central American Affairs, Craig Johnstone, and others, in great detail as well as on general principle. And I think both of those goals were so worthwhile that it will not only not hurt me, I think it's going to help me.

And let me just say that that is one of the goals that we all should seek. We all think of the peace situation as involving only, for example, Nicaragua, Honduras, Costa Rica, and El Salvador. The fact is, that as between some of those countries bilaterally, peace could be attained, the kind of peace relationships that would last.

Q. Do you think, Senator, this administration should punish Cuba for its role in spreading communism through Latin America?

Senator Stone. Well, let me just step outside of the envoy situation for one minute and return to my capacity as Vice Chairman of the President's Commission on Radio Broadcasting to Cuba. I think the most effective and best thing we can do is to bring fair, full, and free information to the people of Cuba about the cost they are bearing in the adventurism of that govern-

ment around the world, not just in Central America. I am in support of that. I sense and detect increasing congressional support of that, and I hope and trust that the Congress will act on that proposal as soon as possible.

Q. But beyond Radio Marti, will there be any permanent steps taken—[inaudible].

Senator Stone. Let me just now go back to my role as nominee, and I can't answer any more than that.

Q. Senator, how do you propose to get the guerrillas in El Salvador into elections, particularly given the fact that you have represented a right-wing government in Guatemala? I'm talking now not in terms of negotiations between countries, but trying to get the rebels in one country to join the political process in that country?

Senator Stone. It's going to be very difficult, and as long as the guerrillas believe that they are going to win total victory militarily, it's going to be very difficult to get them to the table. But we must try. We must invite them to participate in the upcoming elections, which we have to support—the government of El Salvador to make as accessible to all and as safe to all candidates as possible.

[At this point, the President entered the Briefing Room.]

The President. Hi. How are you?

Senator Stone. I appreciate it.

The President. Listen, you're doing so well, I thought maybe you'd put in a good word for me.

Senator Stone. Mr. President, I'm proud of the speech that you made last night. I think you really described the administration's program fully, fairly, and I think the response of it has been wonderful today. And I appreciate so much your coming in here now.

The President. Well, I just came in because I just wanted to say that I'm delighted that you're going to do this and that you've agreed to do it. And I know the good job that you'll do for us down there.

Senator Stone. Thank you so much, Mr. President. Could I begin by indulging in an old Latin custom with you? It's called an

abrazo. [Laughter]

The President. You bet.

Senator Stone. Thank you so much, Mr. President.

The President. Glad to have you aboard.

Senator Stone. Thank you, sir. Thank you.

Q. Mr. President, are you disturbed by the fact that Senator Stone has represented the right-wing government of Guatemala? Do you think that hurts his credibility in the region?

The President. No, I think that it just adds to the experience that he's had down there. And I know the job that he can do and, as I say, I'm delighted. And, as I said last night, we want bipartisanship in this, and so we come together as members of the two major parties.

Q. What held up the nomination, Mr. President? It seems that there's some congressional opposition, even among Senate Republicans.

The President. No, my own feeling was that we had enough news in the speech last night, and we'd save some news for today.

Q. Do you think, then, that he will have an easy confirmation?

The President. I'm sure of it.

Q. Mr. President, you were under some pressure to create this position of Ambassador at Large. Congressman Long indicated he might not approve the money if you wanted it transferred. In view of that, will this position really be that important or was it just something of a sop?

The President. No, and let me tell you: We had the idea and were planning this long before it was ever mentioned any place else.

Q. Mr. President, were you disappointed by the—

The President. Way back there.

Q. Mr. President, it's been said that your choice for this position, that this gentleman does not have the trust of the rebels in El Salvador. Will they, then, use that as a good reason to not come to an agreement?

The President. Well, we think they do. And he has done a couple of errands for us with great success already, so we are sure of what he can do.

Senator Stone. Mr. President, you didn't hear the word that she said. She said the trust and confidence of the rebels. And I think what you were talking about is the trust and the confidence of the Salvadorans.

The President. Oh, my—yes. The El Salvadoran people. Yes. I don't think I have the trust and confidence of the rebels. *[Laughter]*

Q. Were you disappointed by the official Democratic response to your speech last night? Senator Dodd called your proposals a formula for failure.

The President. Yes, I was quite aware of that and not too surprised by it, either. But I guess that's what this business is all about, is having differences of opinion. And very frankly, I didn't find any substance in what he had to say.

Q. Thank you very much.

Senator Stone. Thank you all very much. I appreciate it.

Note: Deputy Press Secretary Larry M. Speakes began the exchange at 3:16 p.m. in the Briefing Room at the White House.

Nomination of Richard B. Stone To Be Ambassador at Large, Serving as Special Representative of the President to Central America

April 28, 1983

The President today announced his intention to nominate Richard B. Stone to be Ambassador at Large, to serve as Special Representative of the President to Central America.

Since February 1983 Senator Stone has been serving at the Department of State as the Special Representative of the President for Public Diplomacy in Central America. He has served as Vice Chairman of the

President's Commission for Radio Broadcasting to Cuba during 1982 and was elected vice chairman of the board of the Capital Bank of Washington in 1982.

Senator Stone was senior resident partner with the firm of Proskauer, Rose, Goetz & Mendelsohn in Washington, D.C., in 1981–1982. Previously he served in the United States Senate (D-Fla.) in 1975–1980. He began his public service career as the Miami city attorney in 1966–1967; served in

the Florida State Senate in 1966–1970; and was Secretary of State of Florida in 1970–1974. Previously he was engaged in the private practice of law for 12 years.

Senator Stone graduated from Harvard College (A.B., 1949, cum laude) and Columbia University (LL.B., 1954). He is married to Marlene Lois Stone, has three children, and currently resides in Washington. He was born September 22, 1928.

Nomination of Daniel G. Amstutz To Be an Under Secretary of Agriculture

April 29, 1983

The President today announced his intention to nominate Daniel G. Amstutz to be Under Secretary of Agriculture for International Affairs and Commodity Programs. He would succeed Seeley Lodwick.

Since 1978 Mr. Amstutz has been a general partner of Goldman, Sachs & Co., in charge of commodity activities. Previously he was with the Cargill Investor Services, Inc., Chicago, Ill., for nearly 25 years. Mr. Amstutz was president and chief executive officer in 1972–1978; assistant vice president and director of feed grain merchandising, Minneapolis, Minn., in 1967–1972; assistant manager, wheat merchandising, Min-

neapolis, in 1960–1967; and senior merchant, Fort Worth, Tex., in 1954–1960.

He is a director of the National Grain and Feed Association and chairman of National's Commodity Exchange Committee. He is a member of the Chicago Board of Trade; the Chicago Mercantile Exchange; the Commodity Exchange, Inc., of New York; the Coffee, Sugar, and Cocoa Exchange; and the New York Mercantile Exchange.

He graduated from Ohio State University (B.S., 1954). He resides in New York, N.Y. He was born November 8, 1932, in Cleveland, Ohio.

Nomination of Robert Brendon Keating To Be United States Ambassador to Madagascar and the Comoros

April 29, 1983

The President today announced his intention to nominate Robert Brendon Keating to be Ambassador to the Democratic Republic of Madagascar and to the Federal and Islamic Republic of the Comoros. He would succeed Fernando E. Rondon.

Since 1982 Mr. Keating has served as a consultant to the office of the General Counsel at the Department of the Navy. He was a consultant, international security affairs, office of the Secretary of Defense in

1981–1982; vice president, Pure Water Systems, Inc., in 1979–1981; a self-employed consultant in 1973–1979; Director General of the Bureau of Roads, Ministry of Public Works of the Government of Zaire in Kinshasa in 1970–1973; senior adviser for transport and infrastructure projects at the Inter-American Development Bank in 1967–1969; and director of the Chile-California Program of Technical Cooperation in 1964–1967.

He was also Chairman of the United States State Department Committee on Transport Technology for Developing Countries in 1961–1962 and was a member of the United States Delegation to the Law of the Sea Conference in 1981 (Geneva) and 1982 (New York City).

Mr. Keating served in the United States

Navy in 1946–1956 as lieutenant. He graduated from the United States Naval Academy (B.S., 1946) and George Washington University (M.E.A., 1961). He is married, has one daughter, and resides in Washington, D.C. He was born May 7, 1924, in Medford, Mass.

Nomination of James J. Needham for the Rank of Ambassador While Serving at the 1985 International Exposition in Tsukuba, Japan

April 29, 1983

The President today announced his intention to nominate James J. Needham for the rank of Ambassador during the tenure of his service as Commissioner General of the United States Exhibition for the International Exposition, Tsukuba, Japan, 1985.

In 1982 Mr. Needham was appointed Commissioner General of the United States Exhibition for the International Exposition, Tsukuba, Japan, 1985. Previously he was chairman and chief executive officer of the New York Stock Exchange in New York City in 1972–1976 and his own company,

James J. Needham Associates, Inc., in Bronxville, N.Y., in 1976–1982. He was Commissioner of the Securities and Exchange Commission in Washington, D.C., in 1969–1972 and a partner in charge of the New York office with A. M. Pullen and Co. in New York City in 1957–1969.

Mr. Needham graduated from St. John's University (B.B.A., 1951). He is married, has five children, and resides in Bronxville, N.Y. He was born August 18, 1926, in New York, N.Y.

Remarks at the Cenikor Foundation Center in Houston, Texas

April 29, 1983

Thank you all very much for a very heartwarming welcome. I'm very proud and happy to be here. And, you know, I've seen some of the products and the things that you're doing here, and I might just buy some of that football equipment that I saw—[laughter]—and use it with the Congress—[laughter]—so long as you don't sell them any. [Laughter]

But I have to tell you the truth. I didn't hear about the wonderful work that Cenikor is doing all on my own. The idea of my being here is from Nancy, and maybe you've seen her—big hazel eyes, slender, pretty. Well, Nancy heard about you when she was in Texas, and she recommended that I stop by. And I'm certainly glad that I

did.

Now, many people say that you and I, you know, we might not have a great deal in common. We're different ages. As a matter of fact, I have lived about half again as long as my life expectancy when I was born. That's a source of annoyance to a number of people. [Laughter] But I think we'd be surprised to learn how much we do have in common. We believe in many of the same things, such as the opportunity, hard work, and self-confidence that work can bring. And it is beliefs that bind people together.

I also believe in the philosophy that Cenikor symbolizes. This center is self-sufficient, just like all of you will soon be. Cenikor

receives no Federal money, and so no Federal strings come attached. And maybe you're not aware of how much of an advantage that can be. *[Laughter]* Even though I'm a part of the Federal Establishment, you know, sometimes there are two ways of doing things: the right way, and the way they do it in Washington. *[Laughter]*

I heard a tale—I haven't tracked it down yet—of a little community that decided they were going to raise their traffic and their street signs from 5 feet to 7 feet altitude; thought they'd be more visible to the drivers. And the Federal Government told them that they had a program to help in that sort of thing, but under their program, they lowered the street 2 feet. *[Laughter]*

But to be fair about it, on the Federal strings, let me mention something good that happened in Florida, Wednesday night, which is an example of what we're doing to prevent drugs from getting into this country.

A plane was coming up the west coast of Florida over the Gulf, that we had reason to believe was suspicious. A government plane, plus an Army Blackhawk helicopter, piloted by Customs people, were on its tail when it landed on a grassy strip near La Belle, Florida. The Blackhawk then landed. The two drug smugglers jumped from the plane to run away. In fact, one of them swam across the canal and hid in the bushes. The alligators didn't get him, but the enforcement people did, and we seized 625 pounds of cocaine, which I'm told has a conservative value of \$187½ million. And I don't know how you feel about it, but—well, I think I do—but when I just stop to think of the little handful of misbegotten people that would have been getting that \$187½ million, I'm delighted that somebody headed them off and that money—Somebody from Houston, the Vice President, George Bush, is in charge of the Florida Task Force. Since last Saturday, 1,015 pounds of cocaine have been thwarted from entering the United States market.

Now, as you well know, interdicting drugs won't solve the drug problem, but it will at least frustrate the process. The real cure for drugs: prevention, plus what you're doing right here.

I was glancing through your Cenikor

booklet, and I liked the very first sentence I read. "In all the years that Cenikor has been in business rehabilitating lives, we have found that nothing works as well as work itself." Work is therapy. You feel better about yourself when you have something productive to do. And that's why I worry so much about today, so many Americans who don't have jobs. It's hard on them not only economically but psychologically. I also know the stresses that you here have been through and still are going through. I know what you're undertaking to put your lives in order, and it isn't easy. From what I've been told, you're learning again, or in some cases, for the first time, what self-confidence, pride, and respect mean to you personally. The words, I imagine, are becoming more and more frequent in your vocabulary.

Could I just stick something else in here from the vantage point of my age? It isn't true that I heard Lincoln give the Gettysburg Address—*[laughter]*—but I'm old enough to know something else: When we're young, we don't think, oh, bad things, accidents, and so forth can happen to us. And maybe we don't stop and think how important those years are for laying a foundation in this set of machinery that's the only one we get for the whole ride, this one.

And when you get along to where I am, you find out taking care of that machinery sure pays off when you get along to this stage, and you can still tie your own shoes and pull on your socks without sitting down—*[laughter]*—and do a lot of things that are much more enjoyable than that. *[Laughter]*

Sometime when the going is a little tough, just say to yourself, "I want to feel the same way I do now when I'm as old as that fellow was." *[Laughter]*

I didn't bring a full-fledged speech here, because I didn't want to be that formal. I just wanted to stop by and tell you how proud I am of what you're doing for yourselves.

I believe, as it said in that booklet, that the only limits to your achievement are those that are self-imposed. I believe in you and what each one of you can accomplish.

You're working your way back, and I can tell you that all the rest of us are eagerly awaiting your return.

I won't be here for all your graduations from Cenikor, so just let me say right now to all of you, welcome back, and thank you, and God bless you.

Note: The President spoke at 3:18 p.m. in

the cafeteria of the residential facility to the board of directors, residents, and staff of the foundation. Prior to his remarks, the President viewed a display of goods manufactured by the residents. He was accompanied on a tour of the center by Ken Barun, president of the Cenikor Foundation, a non-profit drug and alcohol rehabilitation center.

Remarks at a Fundraising Dinner for Senator John Tower in Houston, Texas

April 29, 1983

Mr. Chairman, Mr. Toastmaster, reverend clergy, Senator and Mrs. Tower, Governors Connally and Clements, Ambassador Anne Armstrong, Ernie Angelo, the Members of the Congress who are here, you ladies and gentlemen:

I want to take this opportunity to thank some people who mean a lot to me and mean a lot to our Republican Party. Chet and Virginia Upham, thanks so much for all that you have done.

Now, I know it's not easy to corral Texans into a political party. It's always an experience coming down here to be with you Texas Republicans. Everything is so big, and I hesitate, but I'm going to dare the fates. I know that there aren't very many stories about the size of Texas that aren't known to all Texans, but maybe there are some outlanders here who might not have heard it.

There was a Texan who was visiting in Maine, and he was visiting a farmer up there. And the Texan asked this old boy about his farm and what might be the extent of it. And the old fellow said, "Well, it runs to that clump of trees and then over to that hill and then down to the creek and over to here. How big is your spread in Texas?" And the Texan looked at him and said, "Well, oldtimer, sometimes I get in my car and I can drive for an hour and a half before I get to the boundary of my farm." And the old fellow from Maine looked at him for a minute and then says, "I know exactly what you mean. I had a car like that

myself once." [Laughter]

But seriously, though, as much as people joke about big Texas, your "Lone Star State" plays an increasingly important role in directing the future of this country. And there's one great service that Texas can render to the United States next year: Return to the United States Senate the man who's proven himself second-to-none in his determination to improve America's economic well-being and to improve her national security—your Senator, John Tower.

I've known and admired John Tower for many years, but it wasn't until I got into my current job that I fully appreciated his many talents. In the '80 election, we pledged to make America strong again, militarily and economically. Well, I can tell you without any hesitation, Senator John Tower has been indispensable in putting us on the road toward success in both those fields.

Over the years, John has stood firm—sometimes like a voice in the wilderness—against the tax-tax, spend-spend philosophy that pushed America to the brink of disaster. And since the '80 election, when we finally managed to get some leverage, he has provided the expertise and the leadership that was needed to deal with the economic crisis that we inherited.

Every time I come to Texas I feel like a kid showing his report card to his family. I just want you to know that before I start, in all the areas in which we've scored A's, we couldn't have done it without John Tower.

I know it's getting difficult to remember—we're told that political memories are very short—but it wasn't that long ago when inflation was public enemy number one. We were told that it would be more than a decade before we could ever hope to conquer inflation. Well, it has come down from 12.4 percent to 3.6 percent last year, and for the first 6 months, or the last 6 months, I should say, it has been down to one-half of 1 percent, and it hasn't been there for 22 years.

I hear a lot about compassion in Washington from those who want us to return to the policies of the past, but it's about time we take a close look at what would have happened had we permitted the inflation, caused by their policies, to remain double digit. If inflation had continued as it was, not increased, just stayed where it was, before we all took office, a family of four on a fixed income of \$20,000 would be more than \$1,500 poorer in purchasing power today, but also they would have been further impoverished by much higher taxes.

And what was inflation doing to our economy? Savings and investment sank as the people, trying to protect what they could, put their money into nonproductive inflation hedges and those who could afford it, into tax shelters. With inflation running double digits for 2 years back-to-back, interest rates shot right through the roof, knocking the wind out of construction, automobile, and other major industries—a blow from which they're just now beginning to recover. Consumer spending hit the skids when, again, because of inflation and over-taxation, the real income of our working people began to drop, a total reversal of anything we'd ever experienced in the American history.

Anybody who tries to tell you that we can return to tax, tax, and spend and spend and not reignite inflation better stay away from Texas.

And I get a little irritated with that constant refrain about compassion. I got an unsigned valentine in February, and I'm sure it was from Fritz Mondale. *[Laughter]* The heart on it was bleeding. *[Laughter]*

By getting control of inflation, we've channeled savings back into stocks and other productive investments. The stock

market, reflecting the new confidence that's spreading throughout the country, has shot up 400 points, reaching an alltime high, and it's still rising. The interest rates are down from the 21½ percent when we took off, to 10½ percent now. And I think we're going to knock them down even lower in the very near future.

But even now, homebuilding and auto sales are far above what they were only a year ago. Real wages are up, as is productivity and consumer spending. The leading economic indicators rose again in March for the seventh straight month. And, of course, as John told you already, I think the greatest and most positive indicator of all is they aren't calling it Reaganomics anymore. *[Laughter]* They never should have called it that. It was the result of that Republican majority that we finally have in the Senate after more than a quarter of a century of living in the wilderness and a combination of good, sound, and prominent Democratic Congressmen and Republicans in the House that made that economic plan go into effect.

You remember when they were calling what was ailing America as a "malaise." And now, former Vice President Malaise is running for President, promising he can do everything just like they did before. *[Laughter]*

Well, just as the A's on our report card reflect the degree of proficiency of our economic accomplishments, they can be attributed to skill and hard work, as well as to right thinking. Luckily, we had a professor from Wichita Falls teaching us how to do it. The formula was no secret: We reduced the rate of growth in Federal spending.

The budget was growing at a rate of 17½ percent in 1980. We've cut it by 40 percent. Taxes and regulations were strangling incentive and tying the hands of our most productive citizens. As of July, we will have cut personal tax rates 25 percent. And I can assure you tonight, we're not going to retreat one iota on the tax rate reduction or indexing.

The quickest way to short circuit this recovery would be to increase the taxes on our people. We don't have a trillion-dollar debt because you weren't taxed enough.

We have a debt of that size because government has been spending too much.

We can never underestimate the role of dedicated individuals like Senator Tower and the support of a courageous band of conservative Democrats. And isn't it great to have Congressman Phil Gramm on our side and not theirs? I think everyone here understands, he didn't change philosophy, he just changed labels. *[Laughter]*

You, the Republican activists, deserve the lion's share of the credit when we succeed. Keeping the pressures on Capitol Hill made all the difference before, and it will again. When you hold their feet to the fire, you don't have to make them see the light, just feel the heat. *[Laughter]*

I think we can be rightfully proud that we've set in place a program that should deliver America a strong and sustained non-inflationary economic progress—or program. And I realize that many problems remain. Areas long dependent on the old smokestack industries are still suffering from dislocation that comes with technological transition. We're trying to help with training programs for those without skills, or whose skills are no longer in demand.

In south Texas, the people are also suffering in this time from something which no American can control—the peso devaluation and the economic crisis in Mexico. Senator Tower has a program to help the people in south Texas who are bearing the brunt of this problem. And I can assure you, we are now seriously examining his proposals at the White House at this time.

But getting our economy back on its feet is only half the job. It won't matter how prosperous we become unless we're at peace and secure from foreign aggression. And that's another reason I'm proud to be here tonight. I can think of no other United States Senator—not one—who has contributed more to the security needs of the United States than Senator John Tower.

I won't go into all the details. I think you know, though, that during most of the seventies, the security needs of America were neglected. During that time, the real national defense spending dropped 21.6 percent. Our Navy went from nearly 1,000 ships to under 500. Research and development was cut back. Weapons systems were

cancelled. And by the end of the decade, our military personnel depended on weapons and equipment that had been designed by and for a previous generation.

By 1980 morale in the Armed Forces was at a low ebb, reflecting a serious erosion of military pay and, just as important, a seeming lack of appreciation for the job our soldiers, sailors, airmen, and marines were doing.

And at this same time when we voluntarily reduced our military commitment, the Soviets went into high gear, increasing their military capability—conventionally and strategically—beyond any legitimate defensive requirements.

This administration has received a good deal of criticism for our defense proposals. But, just like the domestic program, we're simply trying to make up for the irresponsibility of the past. Now, let me make one thing plain: We will not tolerate waste in the defense budget, but neither will we permit the Communist dictatorship to militarily dominate this planet.

We can't ask the brave young men and women in our Armed Forces to protect America with second-rate equipment and bargain-basement weapons. If they can put their lives on the line to protect our way of life, we can afford to give them the weapons and equipment they need to do the job right.

And now, to those who always are so in haste to say that's warlike and that we want a war, you can't look, as I do so often, at the faces of those young men and women in our uniform and ever think for 1 minute that you would want to send them into combat. They are there as peacemakers to deter any possible attack, to preserve the peace, simply because of their ability and their dedication to this country.

There come many thrilling moments in a job like mine, but none has exceeded the thrill that I feel at the dedication, the esprit de corps, the morale of our people in uniform today, in contrast to what it was no more than 2½ years ago.

I tell, every opportunity I can get, one little story, and I'm going to tell it again. And that is, our Ambassador from Luxembourg wrote me a letter one day. He'd been

up on the East German frontier. He'd been visiting the 2d armored cavalry regiment. And he said that when he finished and went to his helicopter, a young 19-year-old trooper followed him over there and asked him if he thought he could get a message to the President. Well, being an Ambassador, he allowed as how he could. And the kid stood up there at attention then and said, "Well, will you tell the President that we're proud to be here and we ain't scared o' nothin'." [Laughter]

But more recently, I received something else. With all of our talk about the budget and the sacrifice that we're asking people in government to make, and no pay increases and so forth, and no cost-of-living increases for a period while we attempt to get this budget under control, and that included the military—and I opened a letter one day, and it was signed by over a hundred marines stationed in Italy. And they told me very briefly over their signatures, if this is what it takes to help the country, count them in. They will be happy to do without a pay raise.

Our national security rests as much on willpower as firepower. This generation of Americans faces tremendous responsibilities. There's nothing I want more than verifiable agreement with the Soviet Union to reduce the levels of strategic weapons. In the long run, that's the best way to lower the growth in defense spending. But the Soviets will only bargain in good faith if they understand we're determined to defend freedom. And I'm determined they will understand that. And if I ever, for 1 second, thought I would weaken in that determination, I will just turn to John Tower, and I know that he'll take care of that. [Laughter]

In case you hadn't heard, I addressed the Congress a few nights ago on the subject of Central America. The challenge we face there is not some threat in some distant land; it's a brush fire that's burning in our neighborhood. And you tonight know the truth of something I told the Congress: Texas is closer to El Salvador than it is to Massachusetts. And like it or not, the future freedom and peace of mankind rests on our shoulders.

If we try to take the easy way out, our

children will suffer. In Central America, which is so close to home, we must be willing to counter aggression—at the very least with financial and military aid—or no one anywhere in the world will believe the word of the United States.

Now, there are those who suggest that because our friends in Central America are not perfect, we must back away and permit those armed-to-the-teeth by the Soviets shoot their way into power. The only alternative the American people have been presented is a "prescription for disaster."

Today we have the opportunity to avert crisis by giving our friends support they need to defend themselves and to develop their economies and their democratic institutions. But we can't succeed if we're paralyzed by indecision. An old preacher once said to a young man asking advice, "In life, you must believe your beliefs and have your doubts, but not the other way around." Today, while we recognize that honest people do have doubts, we, as a nation firmly grounded in individual freedom and representative government, must have the courage to believe our beliefs and act upon them.

The United States remains the last, best hope for mankind plagued with tyranny and deprivation. America is no stronger than its people, and that means you and me, all of us.

Over the first 2½ years, it's never been clearer to me that the future of a free people doesn't depend so much on those who hold elected office. It depends on those outside the government—on you at the grassroots. And while the history books may record events as they happened during this or that administration, the direction of a country is determined not so much by the leader as by the character of its people.

By being here tonight, you're demonstrating there's still reason to be optimistic about our future. You're doing your part so we can pass on to our children an America as free as the one that was given to us. And I thank you for doing your part.

God bless you, and thank you very much.

Note: The President spoke at 9:52 p.m. in the East Hall at the Albert Thomas Conven-

tion Center.

Prior to the dinner, the President attended a private reception and a reception for the National Republican Senatorial Com-

mittee at the center. Following the dinner, the President went to the Houston Hyatt Regency Hotel, where he remained overnight.

Remarks at a Meeting With the University of Houston Basketball Team in Texas

April 30, 1983

Mr. Kasser. Mr. President, you can imagine how proud we are of this basketball team. And the University of Houston is so proud of their number one standing, all up until the very last game of the year. And, of course, somebody had to win; somebody had to lose. But we're still awfully proud.

And we're awful proud for you to take this time to greet them, and I think this is a very special day to them. And the Phi Slama Jama has, I think, taken the Nation and the city of Houston—the slam-dunking and the abilities of this team. And we'd like to make a special presentation to you.

I'd like to read the plaque to you. President Ronald Reagan, as honorary member of the Phi Slama Jama fraternity, it entitles him to all rights and privileges. And we would really like you to be a part of this Phi Slama Jama fraternity. And we have a T-shirt here that—it will help you slam-dunk. [Laughter] It's what the guys wear, and it's to help you slam-dunk. And so we'd sure like to have you have that, also.

The President. Well, thank you very much. I'm very proud to have these and to be a member. I've been an honorary member of a few things, but nothing quite as unique as this. [Laughter] I'm delighted—and also to find out what Phi Slama Jama means. [Laughter]

I congratulate this team, and you're abso-

lutely right. I know that losing is never easy, but you were the top team in the United States for all but 2 seconds of the season, and that's not bad. And you not only proved you were a great team, you proved you were great sportsmen. And I think everyone is proud of you, and I know we are. And I'm very proud to be a member of this fraternity now. You don't do things like hazing or paddling or anything like that to new members do you? [Laughter]

Mr. Kasser. If you miss a slam-dunk, we may have to. [Laughter]

The President. All right. Well, I'm only sorry that your coach couldn't have been here, also, because I wanted to talk to him about maybe helping me with a little teamwork on the Hill. [Laughter] We could work something out there. But I will admit that there are moments in the job that I've got where slam-dunking looks very, very attractive. [Laughter] I'll be going, but I am proud to meet all of you, and I appreciate your doing this for me. Thank you.

Mr. Kasser. Thank you.

Note: John Kasser, athletic director of the University of Houston, spoke at 8:58 a.m. The President met with the team in the Imperial Ballroom at the Houston Hyatt Regency Hotel, before returning to Washington, D.C.

Radio Address to the Nation on Education

April 30, 1983

My fellow Americans:

I'd like to talk with you today about a

subject of paramount concern to every American family—the education of our chil-

dren. You may have heard the disturbing report this week by the National Commission on Excellence in Education that I created shortly after taking office. Their study reveals that our education system, once the finest in the world, is in a sorry state of disrepair.

We're a people who believe that each generation will stand upon the shoulders of the one before it, the accomplishments of each ever greater than the last. Our families immigrated here to make a better life not just for themselves, but for their children and their children's children. Education was not simply another part of American society; it was the key that opened the golden door.

Parents who never finished high school scrimp and save so that their children can go to college. Yet today, we're told in a tough report card on our commitment that the educational skills of today's students will not match those of their parents. About 13 percent of our 17-year-olds are functional illiterates and, among minority youth, the rate is closer to 40 percent. More than two-thirds of our high schoolers can't write a decent essay. Our grade is a stark and uncompromising "U" for unsatisfactory. We must act now and with energy if we're to avoid failing an entire generation.

Let me hasten to point out that America's children are just as smart today as they ever were. But most of them do less than an hour of homework a night. Many have abandoned vocational and college prep courses for general ones. When they graduate from high school, they're prepared for neither work nor higher education.

The study indicates the quality of learning in our classrooms has been declining for the last two decades—a fact which won't surprise many parents or the students educated during that period. Those were years when the Federal presence in education grew and grew. Parental control over local schools shrank. Bureaucracy ballooned until accountability seemed lost. Parents were frustrated and didn't know where to turn.

Well, government seemed to forget that education begins in the home, where it's a parental right and responsibility. Both our private and our public schools exist to aid your families in the instruction of your chil-

dren. For too many years, people here in Washington acted like your families' wishes were only getting in the way. We've seen what that "Washington knows best" attitude has wrought.

Our high standards of literacy and educational diversity have been slipping. Well-intentioned but misguided policymakers have stamped a uniform mediocrity on the rich variety and excellence that had been our heritage.

I think most parents agree it's time to change course. We must move education forward again, with common sense as our guide. We must put the basics back in the schools and the parents back in charge.

The National Commission for Excellence in Education recommends requiring 4 years of English in high school and 3 solid years, each, of math and science. It suggests more and longer school days, higher goals, and tougher standards for matriculation. Our teachers should be better trained and better paid. And, we must no longer make excuses for those who are not qualified to teach.

Parents, please demand these and other reforms in your local schools and hold your local officials accountable. Let our parents once again be the rudder that puts American education back on course towards success through excellence.

There are things the Federal Government can and must do to ensure educational excellence, but bigger budgets are not the answer. Federal spending increased seventeenfold during the same 20 years that marked such a dramatic decline in quality. We will continue our firm commitment to support the education efforts of State and local governments, but the focus of our agenda is, as it must be, to restore parental choice and influence and to increase competition between schools.

We've sent to the Congress a tuition tax credit plan and proposed a voucher system to help low- and middle-income families afford the schools of their choice. We've proposed education savings accounts to help families save for college education. We've sent legislation to the Congress that would create block grants for the training of math and science teachers, and another proposal

would encourage those teachers to keep abreast of new developments in their fields. We've also begun an effort to honor some of our finest math and science teachers.

For the sake of all our children, our country, and our future, we must join together in a national campaign to restore excellence in American education. At home, in school, in State government, and at the Federal level, we must make sure we have put our children first and that their education is a top priority.

"Train up a child in the way he should go," Solomon wrote, "and when he is old he will not depart from it." Well, that's the God-given responsibility of each parent and the trust of every child. It is a compact between generations we must be sure to keep.

I would like to close with a special challenge to America's students who may think I just want to pile on more homework. Your generation is coming of age in one of the

most challenging and exciting times in our history. High technology is revolutionizing our industries, renewing our economy, and promising new hope and opportunity in the years ahead. But you must earn the rewards of the future with plain hard work. The harder you work today, the greater your rewards will be tomorrow. Make sure you get the training and the skills you need to take advantage of the new opportunities ahead. Get a good education; that's the key to success. It will open your mind and give wings to your spirit. There's a dazzling new world waiting for you. My generation only discovered it. But you, by summoning all the faith, effort, and discipline you can muster can claim it for America.

Until next week, thanks for listening, and God bless you.

Note: The President taped his radio address in the Roosevelt Room at the White House on Friday, April 29, for broadcast on April 30.

Interview With Katherine Lewis of the Houston Post About the Vice President

April 29, 1983

Ms. Lewis. [Inaudible]—how it's worked out. You two really didn't know each other. At the time of the convention, even, did you two know each other well?

The President. We had met, of course. But I could say, no—[inaudible].

Ms. Lewis. There were a lot of stories at that time there was some reluctance on your part to select him.

The President. Yes, I have to admit that. But the Lord was watching out for me.

Ms. Lewis. How has it worked out?

The President. What?

Ms. Lewis. How has it worked out—the relationship between the two of you?

The President. I don't believe from—looking from the outside, I don't believe there's ever been a better relationship or a working combination between the President and Vice President than we have had and that

we have now.

Ms. Lewis. And how did that come about? What made it work?

The President. [Inaudible] For one thing, I've always believed, and did when I was Governor, that the Vice President is sort of like an executive vice president in a corporation. He's part of the team and makes a great contribution. And I must say, George is—he's a part of everything we do in policymaking and carrying out the policy and he's—believe me, he works hard. And his experience in the past in the CIA and in the field of diplomacy, as well as in Congress, have been invaluable.

Ms. Lewis. I have been told that he is, particularly in foreign affairs, and obviously his recent trips reflect that in foreign affairs, and his trips sort of reflect an increased role there. Is that—

The President. Oh, yes. Yes. We're together in every briefing and every National Security Council meeting that has to do with those affairs.

Ms. Lewis. I've also been told that it's not just Jim Baker, who obviously was his long time friend, but even the Californians have come to recommend that he talk to you about certain things, that his advice is respected and that—

The President. Yes, yes.

Ms. Lewis. —by them. By staff, as well as by you?

The President. Yes. Usually, I'm a little ahead of them. I've asked for it before they tell me. He and I, we try—in addition to everything else, we're in Cabinet meetings and everything there together—but even so, then just the two of us try to have lunch at least once a week in the office.

Ms. Lewis. He, of course, will not tell me what those conversations are because that's a policy of his. He doesn't talk about what you talk about. Are there any examples you would feel free to tell me, of the kinds of conversations you have with him, the kinds of talk that goes on at those lunches?

The President. Let me just say that just in addition to the conversation that you have about the overall situation in the executive branch, whatever is the policy matter or the thing that—there's always something hanging over you where a decision has to be made and, yes, we talk those things out.

Ms. Lewis. Do you talk staff problems? Do you ever talk staff problems with him?

The President. Sometimes.

Ms. Lewis. What about a personal relationship between the two of you? Is that there, too?

The President. Yes.

Ms. Lewis. What's it like?

The President. I think we like each other. I know I like him very much, and he and Barbara and—yes, they're—

Ms. Lewis. Do you see them socially much?

The President. Yes, yes.

Ms. Lewis. You and the Vice President don't really share the same sports. You're a horseback rider and he's tennis player, but I understand you have at least once been—

The President. —and a boater.

Ms. Lewis. And a—right. But he has been

horseback riding with you?

The President. No.

Ms. Lewis. No?

The President. No.

Ms. Lewis. No. Okay, my information is wrong on that, okay.

What about the conservative opposition to Bush? Have you seen that diminish? Has he won some people over in the last 2½ years?

The President. I think very definitely yes. And if he hasn't, then it's their fault, because he has really been, without any reservations, a total team player.

Ms. Lewis. He tells me that there really are no basic differences on broad issues between the two of you. Do you—

The President. I don't recall any.

Ms. Lewis. [Inaudible]

The President. No.

Ms. Lewis. Perhaps nuances here and there which he does not speak publicly of, but on broad issues?

The President. We seem to be together on all that we're trying to accomplish.

Ms. Lewis. Are you aware that his schedule is taking him to Nashua, New Hampshire, this evening? [Laughter]

The President. Yes, but I must say, he's—and on that, he is most unselfish and generous in what he does both for the party, on party events, and out there in the hustings, selling the things that we're trying to do.

Ms. Lewis. Have things come along between the two of you that you could joke about Nashua now? Have you ever joked about some of those campaign—you were opponents who ultimately became a team. Can—

The President. I don't think—no, not really, we haven't. Oh, I remember one joke. We were having a kind of a sample briefing. I can't describe it too much, because it had to do with security and kind of practicing what and where. And there was a certain threat, and those who had put this situation together told me that I was in the White House and that—danger coming. And then they said to George that he was in a plane, and I'm there and target number one, and George said, "What am I doing in a plane?" And I said, "You're coming home from a fundraiser." And then

I got to thinking for a second, and I turned to him and I said, "George, I'm there in the White House where, you know, it can happen. You're in a—I thought I won." [Laughter]

Ms. Lewis. But there is a comfortableness between you.

The President. Oh, yes.

Ms. Lewis. It's relaxed. None from the campaign incidents, as always happen in every primary race.

The President. No.

Ms. Lewis. That's behind.

The President. That—all. There's no hang-over of any kind.

Well, I think in part the whole thing that took place at the convention went a long way toward changing that. Just as I say, the Lord was watching out for me.

Ms. Lewis. When would you say the relationship actually started to click? You didn't see each other, I suspect, that much during the campaign.

The President. Well, we did to the, you know, the thing of having meetings and so forth, coordinating. And it was already working then. You'll remember during the campaign he made the trip to China.

Ms. Lewis. And that is about the only thing that I remember that caused sort of a major flap in terms of—the signals were crossed on that trip during the campaign as to what he was saying and what you were saying. And—

The President. I think there was—not a misunderstanding between us, but there was a misunderstanding about where we were on this. But there was never any difference on our part but that we were pledged to the support of the Taiwan Initiative.

Ms. Lewis. Does he influence you on policy on some occasions?

The President. Well, I could say that about all of them, because my way of doing business that I brought from California is not one in which a Cabinet member presents a case and everyone else remains silent rather than step on his turf. It's more like a board of directors. I want input from all sides, every shade of opinion. And then the only difference between that and a board of directors meeting is, I don't take a vote. I know that I have to make the deci-

sion. But everyone speaks up and presents views, and out of that is where I get what I need to know.

Ms. Lewis. Does he have as much authority with you as Mondale did with Carter?

The President. Well, now, I don't know what authority Mondale had with Carter. But we sit there as equals, except that we both know that I have to make the decisions.

Ms. Lewis. He has walk-in privileges to your office at any time—

The President. Yes, yes.

Ms. Lewis. —and uses that privilege.

The President. Yes.

Ms. Lewis. You say you think there's never been a team quite like this.

The President. I don't think there has.

Ms. Lewis. What does that mean in 1984? I suggest you're not going to announce to me your plans, but is there any reason to believe if you did run you would be making a change in runningmates?

The President. No, I—you don't break up a combination that's working.

Ms. Lewis. Is that a firm commitment?

The President. As far as I'm concerned. I hope he feels the same way.

Ms. Lewis. So if you run, he will be your runningmate in 1984. No doubts? No questions?

The President. No question in my mind about that.

Ms. Lewis. And the reason for that is—what? Loyalty? But what besides loyalty?

The President. Because it—as I say, the relationship and the job that he's done. I don't think that I can recall many Vice Presidents who have been as involved and much a part of things as he has.

Ms. Lewis. How helpful is he to you on the Hill? In legislative battles? Close votes? He has a lot of friends up there that—

The President. Oh, yes. Oh, you bet. And he's a great help.

Ms. Lewis. Do you remember any particular votes that he worked the phones—as well as you, of course?

The President. Yes, there have been a number of them. All of those tough ones.

Ms. Lewis. Any recently that come to mind?

The President. They're going on right

now and will be again on the budget and all.

Ms. Lewis. Have you and he talked about if you were to run, that he would be your runningmate?

The President. No.

Ms. Lewis. So, you have no commitment from him that he would be willing to—

The President. It's up to him.

Ms. Lewis. Had you really thought it would work out this well?

The President. I have to say that the way events took place at Detroit at the convention, I had a very definite feeling when it finally came down that way that that's the way it was supposed to be.

Ms. Lewis. In the personal as well as professional?

The President. Yes.

Ms. Lewis. You tell each other jokes. You enjoy each other's company.

The President. Oh, yes. Yes, I found that he likes them as well as I do, so we exchange material.

Ms. Lewis. He tells me you not always talk matters of state, that sometimes you just talk as friends, about family and about—

The President. Oh, yes.

Ms. Lewis. —the hostages coming home, sentimental things.

The President. Yes, I'd be—particularly—such as those lunches and all. Oh, there are many times that it's just the way business associates or anyone would talk.

Ms. Lewis. The last one was last Thursday, yesterday. Do you happen to remember anything that came up you wouldn't mind sharing with me?

The President. What happened yesterday?

Ms. Lewis. The day after your New York trip and the day after your speech.

The President. Oh, I know. I think we had to miss yesterday. That happens sometimes.

Ms. Lewis. But at a previous one, do you happen to remember recent—like, for example, did you talk to him about going out to the airport, out to Andrews to meet those families, those—

The President. Yes. And sometimes it's discussions of when there are visiting foreign ministers and so forth, that he will meet with them, perhaps, or entertain them while I'm doing something else, in

addition to participating in the meetings together. And then, he'll bring me up to date on those things they've talked about. But also it is true that many times it's family and discussions and just general conversation.

Ms. Lewis. He'd be an asset to you, I would think, in some areas that perhaps you've had some problems with—blacks, Hispanics, labor—areas the administration would like to improve in. Is that an accurate assessment?

The President. [Inaudible]

Ms. Lewis. Would that outweigh any conservative opposition to him?

The President. I can't believe that there's much of that left, because his record has been so obvious.

Ms. Lewis. It's not easy being a Vice President, many people have said.

The President. Well—

Ms. Lewis. It's not easy being a Vice President, many people have said. Do you think he can do 4 more years of the kind of rigorous, on-the-road—and then also not—while he obviously has been totally loyal to you, another 4 years of representing someone? Does he have the kind of personality that could—

The President. No, I think we get along just fine. But it would be his decision to make. I understand that, that there could come times when someone says, "Enough. Enough already." But I've been very conscious of what could be the difficulties in that, because there's no—tried very hard to minimize them.

Ms. Lewis. You said you've done everything you possibly could, as well as your staff. Is it true there virtually have been no problems with George Bush and your staff?

The President. Not a problem.

Ms. Lewis. If you had to name one area, what is the area he helps you the most in?

The President. It's so general, I don't think I could pin it down to one. That's like asking two fellows in a football game on the same team what part of the game did—and under the best—and it's just been a constant partnership.

Ms. Lewis. He also is playing an active role on the travel schedule, and that's something that—on the travel schedule?

The President. Yes.

Ms. Lewis. In a sense, is he your eyes and ears at times or—he has a little more freedom than you do—

The President. Yes.

Ms. Lewis. —in terms of getting out.

The President. He tells me experiences he's had out there, reactions of audiences, and so forth.

Ms. Lewis. You were pleased with the political appearances he made in '82 on behalf of the party.

The President. Yes, very much so.

Ms. Lewis. On another matter, you're headed into Houston. As you probably know, there's been a lot of talk about mass transit funding in Houston, and some disagreement as to what this administration promised during the gas tax. Can you share anything—

The President. Well, no, only to tell you that at the moment that's in our Department of Transportation, and Elizabeth Dole, the Secretary of Transportation, has not yet come to us with any recommendation. And we're certainly giving it full consideration, and I am waiting to hear what the recommendation will be.

Ms. Lewis. Do you have any idea when that might be coming?

The President. Well, I would think it would be—I don't know. Maybe Jim [James A. Baker III, Chief of Staff and Assistant to the President] has an idea better than mine as to when—

Mr. Baker. I'm sorry. I—

The President. —when Liz—when Libby Dole—

Ms. Lewis. I asked when Elizabeth Dole—[inaudible].

Mr. Baker. I don't think we have a time frame on it, Kathy, no. I don't think we can give you a specific time frame.

Ms. Lewis. Your personal position is you believe in the idea of new starts. You believe in the idea of funding new systems, new transit systems. Houston is prepared to pay its own operating costs. It's prepared to pay 56 percent of—

The President. I know that—

Ms. Lewis. —to start—

The President. Well, everyone, I think, has to be treated individually. This one, of course, is unusual in the amount of local

and private support for it, but it is a rather unusual situation, of course. It reflects something I believe in: the local autonomy and the private sector.

Mr. Baker. Those funds, Mr. President, the gas tax funds, you will recall, were going to be carefully allocated between maintenance and new starts, and it's a question of exact allocation.

Ms. Lewis. [Inaudible]—how the list is going—[inaudible].

Mr. Baker. It's a question of determining what the proper allocations should be.

Ms. Lewis. One more, last question on Bush. I sort of asked you this before, but I'm not sure I understood your answer. You really have been able to put behind the primary race of 1980 and—

The President. Yes, completely, because I think we're friends.

Ms. Lewis. And why has this worked out for you two when it could have been what many have called a mismatch at the time, when other Vice Presidencies haven't worked out?

The President. Well, I don't want to seem to denigrate anyone else or anything, but maybe in part because of the 8 years in California. You know, a great many of our Presidents have come from other areas of government, but a Governor, in reality, is about the closest as a job, a governorship, to the Presidency that you can have in politics. And so for 8 years I had a lieutenant governor—

Ms. Lewis. [Inaudible]—and you knew what your relationship was.

The President. —made him an active part of the administration and the Cabinet process and all. And it worked. And maybe there's been less that—but it had never entered my mind that if I got this job, that I wouldn't do the same thing with the Vice President.

Ms. Lewis. You are a very secure person. And that's why you were willing to bring in a former opponent as the Vice President, staff members who came from other campaigns. Is that accurate? Is that an accurate assessment?

The President. That's a hard one for me—

Ms. Lewis. For you to answer. Okay.

The President. —for me to answer. Somebody else should answer. I can—all I can say is that I sleep well.

Ms. Lewis. Thank you very much.

Note: The interview took place on board Air

Force One as the President was traveling from Washington, D.C., to Houston, Tex.

As printed above, this item follows the text of the White House press release, which was released on May 2.

Proclamation 5057—National Year of Voluntarism

April 29, 1983

By the President of the United States of America

A Proclamation

Voluntarism is a cornerstone of the American way of life and a fundamental characteristic of our American heritage. The generosity and civic-mindedness of the American people has long been a noted aspect of our Nation. Since its inception, this has been a country in which neighbor has lent a hand to neighbor, and families have banded together to help one another in times of adversity.

Voluntary service remains as important today as it was in earlier decades. We cannot rely solely on institutions of government to provide remedies for our problems. Many of the solutions must be devised and supported by other individuals and private groups. Greater emphasis must be placed on developing increased community commitment to voluntary service and on developing more volunteer leaders.

Now, Therefore, I, Ronald Reagan, Presi-

dent of the United States of America, in recognition of the vital contributions volunteers make to our society, do hereby designate the period beginning on May 1, 1983 until April 30, 1984 as the National Year of Voluntarism, and I call upon the people of the United States and interested groups and organizations to observe this celebration with appropriate activities of voluntary service and efforts to attract additional persons to this valuable and rewarding tradition.

In Witness Whereof, I have hereunto set my hand this 29th day of April, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 12:38 p.m., May 2, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on May 2.

Message to the Congress Reporting on Developments Concerning the Declaration of a National Emergency With Respect to Iran

May 2, 1983

To the Congress of the United States:

Pursuant to Section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. Section 1703(c), I hereby report to the Congress with respect to developments between my last report of No-

vember 1, 1982, and mid-April, 1983, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979.

1. The Iran-United States Claims Tribunal, established at The Hague pursuant to

the Claims Settlement Agreement of January 19, 1981, is now making significant progress in arbitrating the 3,730 claims before it. Having resolved the initial interpretive disputes described in my last report, the Tribunal is giving primary attention to individual claims. As of April 1, it had held 84 prehearing conferences and 44 hearings on the merits and had rendered 35 decisions. Twenty-five of these decisions were awards in favor of American claimants. Of the awards, 17 approve and authorize the payment of settlements negotiated by the parties; eight were adjudicated. (Total payments to American claimants stood at just over \$37 million, as of mid-April.) Of the remaining 10 decisions, seven dismissed claims for lack of jurisdiction, and three dismissed claims on the merits; all but one of the claims dismissed had been brought by Iran.

2. The Department of State, with the assistance of the Departments of the Treasury and Justice and other concerned government agencies, continues to coordinate the presentation of U.S. claims against Iran, as well as the U.S. response to claims brought by Iran. In the last six months, the United States has filed requests for clarification of the Tribunal's jurisdiction with respect to Iranian claims against U.S. nationals based on standby letters of credit and other bank claims. There remain pending 18 United States Government claims against Iran arising out of contracts for the provision of goods and services. Last October, Iran filed a major interpretive claim against the United States, alleging 18 separate violations of the Algiers Accords. On March 21, the United States filed the first in a series of responses to these allegations. It has also responded to all of the 60 official contract claims filed by Iran. While the Tribunal has now received pleadings from both sides in a large number of official claims, it does not appear to be close to deciding any of them on the merits.

3. Since my last report, the Tribunal has rendered a number of interlocutory decisions on jurisdictional and procedural matters which are significant for claimants generally. Last November, it decided that claims arising under contracts specifically designating Iranian courts as the sole forum

for dispute settlement were not within its jurisdiction. This decision was based on exclusionary language in the Claims Settlement Agreement and was contrary to the interpretation urged by the United States. Nevertheless, it leaves U.S. claimants having such contract clauses with the possibility of establishing Tribunal jurisdiction on non-contractual grounds not subject to the exclusion. Other decisions have set clear and workable standards for demonstrating United States nationality by corporations and precedents for the award of interest and attorneys' fees. The Tribunal has also found that its jurisdiction over matters assigned to it by the Claims Settlement Agreement is not exclusive, and that under some circumstances other bodies may hear disputes which could be brought before it. The practical effects of this decision cannot be assessed at the present time.

4. In the last six months, the Tribunal has taken steps to arbitrate the 2,742 claims for less than \$250,000 each presented by the United States Government on behalf of U.S. nationals. All of these claims have been served on Iran, and the Tribunal has recently authorized the hiring of three additional staff members to help prepare the claims for arbitration.

5. The United States and Iran are presently engaged in seeking a successor to Judge Pierre Bellet, a third-party arbitrator who will be leaving the Tribunal on August 1. The Iranian and American arbitrators have met a number of times in the past several months in an effort to select a replacement, but no agreement has been forthcoming. As a result, on March 1, the United States asked the Appointing Authority previously selected by the two countries to name a successor to Judge Bellet. It is hoped that a candidate will soon emerge who will prove acceptable to both parties.

6. The January 19, 1981 agreements with Iran also provided for direct negotiations between U.S. banks and Bank Markazi concerning the payment of nonsyndicated debt claims of U.S. banks against Iran from the \$1.418 billion escrow account presently held by the Bank of England. As of mid-April, 1983, eight settlements, totaling approximately \$171 million, have been

reached and paid to U.S. banks from the escrow account. Each bank settlement also provides for the settlement of Iran's claims, if any, for interest on any deposits held by that U.S. bank. Iran has filed claims against the United States in the Tribunal for interest and other damages in connection with the same deposits that are the subject of these settlements. The Department of the Treasury, in December 1982, amended the Iranian Assets Control Regulations. According to this amendment, if the Tribunal determines that a rate of interest higher than the rate of interest agreed on between a U.S. bank and Iran should be paid to Iran under the January 1981 agreements, the higher rate will be the "commercially reasonable rate" which the bank is required to transfer under the Regulations. The *Federal Register* notice of this amendment dated January 4, 1983 is attached.

7. Also in December 1982, the Department of the Treasury extended for one year, through December 31, 1983, the revo-

cation of any authorization for the permanent disposition, by means of a final judicial judgment or order, of interests of Iran in any standby letter of credit or similar instrument. The *Federal Register* notice of this extension dated December 10, 1982 is attached.

8. Several financial and diplomatic aspects of the relationship with Iran have not yet been resolved and continue to present an unusual challenge to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

RONALD REAGAN

The White House,
May 2, 1983.

Note: The attachments transmitted with the report, and included in the White House press release, are printed in the Federal Register (47 FR 55481 and 48 FR 252).

Appointment of 18 Members of the International Private Enterprise Task Force, and Designation of Chairman and Vice Chairman May 2, 1983

The President today appointed the following individuals to be members of the International Private Enterprise Task Force. The Task Force was created on November 20, 1982, by Executive order. Its charter is to advise the President, the Director of the United States International Development Cooperation Agency, and the Administrator of the Agency for International Development with respect to the role private enterprise can play in the implementation of programs and activities under the Foreign Assistance Act of 1961, as amended.

The Task Force will serve as a forum through which the Agency for International Development and the U.S. business and financial community can exchange information, review strategies, and explore areas of mutual interest, with the overall objective

of fostering a fuller partnership between AID and U.S. private enterprise in meeting national objectives in foreign assistance programs.

Dwayne Andreas will serve as Chairman. He is chairman and chief executive officer of Archer-Daniels-Midland in Decatur, Ill. He was born March 4, 1918, in Worthington, Minn.

Parker G. Montgomery will serve as Vice Chairman. He is chairman and chief executive officer of Cooper Laboratories, Inc., in Palo Alto, Calif. He was born July 30, 1928, in Norwood, Mass.

Paul B. Barringer II is president of Coastal Lumber Co. in Weldon, N.C. He was born August 22, 1930, in Sumter, S.C.

John C. Bierwirth is chairman of the board and chief executive officer of Grumman Corp. in New York, N.Y. He was born January 21, 1924, in Lawrence, N.Y.

Phoebe H. Cooke is director of the Hearst Corp. of New York City. She was born July 13, 1927, in San Francisco, Calif.

Thomas F. Faught, Jr., is executive vice president of Dravo Corp. in Pittsburgh, Pa. He was born October 1, 1929, in Salem, Oreg.

Robbins W. Fischer is president of Soypro International, Inc., in Cedar Falls, Iowa. He was born March 31, 1919, in Turin, Iowa.

Jerry M. Hiegel is president of Oscar Mayer Food Corp. in Madison, Wis. He was born March 8, 1927, in Davenport, Iowa.

Lawrence J. Kelley is chairman of the board of Supra Corp. in Houston, Tex. He was born January 30, 1920, in Los Angeles, Calif.

Moya O. Lear is chairman of the board of Lear Aviation in Reno, Nev. She was born March 27, 1915, in Chicago, Ill.

Fernando Oaxaca is chairman of the board of Coronado Communications Corp. in Los Angeles, Calif. He was born August 8, 1927, in El

Paso, Tex.

C. L. Otter is president of Simplot International in Boise, Idaho. He was born May 5, 1942, in Caldwell, Idaho.

Frank Perdue is chairman of Perdue Farms, Inc., in Salisbury, Md. He was born May 9, 1920, in Salisbury, Md.

Charlotte T. Reid is a business consultant in Alexandria, Va. She was born September 27, 1913, in Kankakee, Ill.

Mary G. Roebling is chairman of the board of National State Bank in Trenton, N.J. She was born July 29, 1905, in Collingswood, N.J.

Nicolas M. Salgo is chairman of the board of Watergate Companies in Washington, D.C. He was born August 17, 1914.

Jacob Stein is a realtor in Hicksville, N.Y. He was born October 12, 1916, in New York, N.Y.

Henry T. Wilfong, Jr., is a certified public accountant in Los Angeles, Calif. He was born February 22, 1933, in Ingalls, Ark.

Message to the Congress Transmitting the United States-German Democratic Republic Fishery Agreement

May 2, 1983

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 USC 1801), I transmit herewith a governing international fishery agreement between the United States and the German Democratic Republic signed at Washington on April 13, 1983.

This agreement is one of a series to be

renegotiated in accordance with that legislation to replace existing bilateral fishery agreements. I urge that the Congress give favorable consideration to this agreement at an early date.

RONALD REAGAN

The White House,
May 2, 1983.

Appointment of Clement V. Tillion as Deputy United States Commissioner on the North Pacific Fur Seal Commission

May 2, 1983

The President today announced his intention to appoint Clement V. Tillion to be Deputy United States Commissioner on the North Pacific Fur Seal Commission. He will succeed Charles H. Meacham.

Mr. Tillion is director of International Fisheries and External Affairs, Office of the

Governor, State of Alaska. He is also chairman of the North Pacific Fisheries Management Council, Anchorage, Alaska. Previously he was a member of the Alaska House of Representatives in 1962-1975 and a member of the Alaska State Senate in 1975-1982. He has also owned and operated a

pilot boat and charter service in Halibut Cove, Alaska, since 1960.

Mr. Tillion is married and resides in Hali-

but Cove, Alaska. He was born July 3, 1925, in Brooklyn, N.Y.

Appointment of William M. Ellinghaus as the United States National Chairman for United Nations Day

May 2, 1983

The President today announced his intention to appoint William M. Ellinghaus to be the United States National Chairman for United Nations Day.

Since 1979 Mr. Ellinghaus has been president, American Telephone and Telegraph.

Previously he was vice president of A.T. & T. in 1976–1979; president, New York Telephone, in 1970–1976; and executive vice president, A.T. & T., in 1965–1970.

He was born April 19, 1922.

Executive Order 12417—Strategic and Critical Materials

May 2, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Strategic and Critical Materials Stock Piling Act, as amended (50 U.S.C. 98 *et seq.*), and in order to provide for the performance of certain reporting functions, it is hereby ordered that Executive Order No. 12155 of September 10, 1979, is amended by adding the following new section:

“1–107. The functions vested in the President by section 5(a)(2) of the Act, as amended (50 U.S.C. 98d), are delegated to the

Director of the Federal Emergency Management Agency.”.

RONALD REAGAN

The White House,
May 2, 1983.

[Filed with the Office of the Federal Register, 10:38 a.m., May 3, 1983]

Note: The text of the Executive order was released by the Office of the Press Secretary on May 3.

Message to the Congress Transmitting an Exchange of Notes Extending the United States-Soviet Union Fishery Agreement

May 3, 1983

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94–265; 16 USC 1801), I transmit herewith an exchange of Diplomatic Notes, together with the present agreement, extending the governing internation-

al fishery agreement between the United States and the Soviet Union, signed at Washington on November 26, 1976, until July 1, 1984. The exchange of notes together with the present agreement constitute a governing international fishery agreement within the requirements of Section 201(c) of the Act.

Several U.S. fishing interests have urged prompt consideration of this agreement. In view of the July 1 expiration date of the current agreement, I therefore urge that the Congress give favorable consideration

to this extension at an early date.

RONALD REAGAN

The White House,
May 3, 1983.

Message to the Congress Transmitting an Exchange of Notes Extending the United States-Poland Fishery Agreement *May 3, 1983*

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 USC 1801), I transmit herewith an exchange of Diplomatic Notes, together with the present agreement, extending the governing international fishery agreement between the United States and Poland, signed at Washington on August 2, 1976 until July 1, 1984. The exchange of notes together with the present agreement constitute a governing interna-

tional fishery agreement within the requirements of Section 201(c) of the Act.

Several U.S. fishing interests have urged prompt consideration of this agreement. In view of the July 1 expiration date of the current agreement, I therefore urge that the Congress give favorable consideration to this extension at an early date.

RONALD REAGAN

The White House,
May 3, 1983.

Appointment of Claudine B. Cox as Alternate United States Representative to the Executive Board of the United Nations Children's Fund *May 3, 1983*

The President today announced his intention to appoint Claudine B. Cox to be Alternate Representative of the United States of America on the Executive Board of the United Nations Children's Fund. She would succeed Rita di Martino.

Since 1967 Dr. Cox has been a portfolio manager and financial consultant for several family corporations and trust funds. In 1967-1977 she was first a part-time instructor and began teaching full-time in 1975. She was associate professor of economics, Southwest Missouri State University, Springfield, Mo., in 1977-1979. She has been a special lecturer in economics at Drury College in Springfield since 1980.

Her other activities have included serving

as a member of the executive committee of the Missouri Council on Economic Education, and Missouri representative to the joint council meeting in New York; member of the board of directors of William Woods College; member of the board of directors and past chairman of the State Committee for the National Endowment for the Humanities; and member of the board of directors of Junior Achievement of Middle America.

She graduated from Drury College (B.A., 1963; M.B.A., 1965) and the University of Missouri (Ph. D., 1974). She is married, has one son, and resides in Springfield, Mo. She was born March 9, 1924, in Kampsville, Ill.

Message on the Observance of Cinco de Mayo May 4, 1983

It is a special privilege for me to join with the government and people of Mexico and those of Mexican ancestry in this country in commemorating Cinco de Mayo.

May 5 holds an important place for all who value freedom. It was on this date in 1862, in the Battle of Puebla, that General Ignacio Zaragoza led two thousand Mexicans against an invasion force of six thousand French troops who were on the march toward the capital of Mexico. After a long day of fighting against overwhelming odds, the Mexican patriots emerged victorious.

In Mexico and throughout the Hemi-

sphere we recall the historic victory of the Cinco de Mayo with pride. It demonstrates not only the determination and love of country felt by the Mexican people, but also the heartfelt longing of people everywhere to live in freedom.

The ties of respect and friendship between Mexico and this country make it especially meaningful for us to extend congratulations on this Cinco de Mayo. May the legacy of General Zaragoza's victory be forever cherished by the people of the Americas.

RONALD REAGAN

Remarks on Greeting Members of Team America, All-Star Soccer Players May 4, 1983

The President. Well, it's a great pleasure to greet this team here, this all-star team, the "Team America." And it marks quite a few firsts, and we hope one yet to be, and that is the first appearance in the World Cup series of an American team. And what we're hoping for is that maybe this would lead to the World Cup, for the first time in its history, being held in the United States.

Now, I was a little worried about the Rose Garden being kind of confining here for all of them and worried that they might be attracted by the expanse of the South Lawn, and we'd lose them. That's why we turned the water on out there. [*Laughter*] But they will be playing, and we'll have an opportunity to see them, because they will be playing in the North American League. And in your first game 2 weeks ago, you defeated Seattle in that league.

But soccer, as you know, is a worldwide sport and has been increasing in popularity here in America just by leaps and bounds in the last few years. So, we're very proud and happy to have this team and to be represented for the first time in the World Cup.

And I can't resist doing a little reminiscing and telling you gentlemen a little story that has to do with American football and soccer. Years ago, in the days of a coach named Knute Rockne, at Notre Dame—and it was the great and famous football school of the time. And he would have squads of more than 100 men turn out, and then he had to cut the squad. And one day he figured out that maybe an easy way to get right down to cutting the squad was on the first day he divided them up into two groups, one here and one here. And he went out with a soccer ball and put it down and he said, "Now," and he made a little speech and he said, "football is a game of courage." And he said, "I want that group to try and kick the ball across the goal line and this one, you try to stop them and kick it across that goal line." And he said, "Of course, you know, you may have to do a little shin-kicking at the same time. But as I say, football is a game of courage." And all right. And he looked down, and the soccer ball was gone. And he said, "All right, come on, who took the soccer ball?" And the lit-

tlest guy in the 100 fellows out there said, "Never mind the ball, Rock, when do we start kicking?" [Laughter]

Well, I think you'll have to mind the ball at the same time. What we will say, though, is, start kicking. And God bless you, and we're all very proud of you. Thank you.

Mr. Lifton. We have some presentations, Mr. President: the Team America soccer ball, signed by all the members of Team America, as well as the coach and the staff. So, we'd like you to have that. And when we win the World Cup, we would like you to hold on to that.

The President. I will hold on to it. And if I hold on to it, you can't ask me to kick it. [Laughter]

Mr. Lifton. Fair enough.

This is a jacket, Mr. President, that says, "Commander in Chief, Team America," on the front.

The President. Well, thank you very much.

Mr. Lifton. And the pants go with it. [Laughter]

The President. All right.

Mr. Lifton. It wouldn't be a matching set without them. [Laughter]

The President. Well, thank you all very much.

Mr. Lifton. Thank you very much.

Note: The President spoke at 11:45 a.m. in the Rose Garden at the White House. Robert Lifton is chief executive officer of Team America.

Nomination of D. Lowell Jensen To Be an Associate Attorney General

May 4, 1983

The President today announced his intention to nominate D. Lowell Jensen to be Associate Attorney General, Department of Justice. He would succeed Rudolph Giuliani.

Mr. Jensen is presently serving as Assistant Attorney General, Criminal Division, Department of Justice. Previously he was district attorney of Alameda County, Calif., in 1969–1980; assistant district attorney of Alameda County in 1966–1969; and deputy district attorney of Alameda County in 1955–1966. He served as president of the

California District Attorneys Association in 1979–1980; member of the board of directors of the California Crime Technological Research Foundation in 1970–1974; and chairman of the California Peace Officers Association's law and legislative committee in 1969–1977.

He graduated from the University of California at Berkeley (A.B., 1949) and the University of California School of Law, Boalt (LL.B., 1952). He is married, has three children, and resides in Arlington, Va. He was born June 3, 1928, in Brigham, Utah.

Question-and-Answer Session With Reporters on Domestic and Foreign Policy Issues

May 4, 1983

Catholic Bishops' Pastoral Letter

Q. Mr. President, the Roman Catholic Bishops, as you know, voted overwhelmingly yesterday in favor of a resolution calling for a halt in the nuclear arms race. Is that

going to complicate your administration's efforts in trying to head off the nuclear freeze movement?

The President. No, I don't really think so, particularly if those of you who are going to

be commenting on this will wait, as we have to, until we have a chance to see the 45,000-word letter. I think that too much attention was being paid to the one word, "curb" or "halt," when you think there's 45,000 words in toto.

We haven't received it yet. I have had some information in advance about it which indicates that it really is a legitimate effort to do exactly what we're doing, and that is to try to find ways toward world peace. And if so, then we're both doing the same thing.

Q. But isn't it true that if a number of leading Catholic bishops, archbishops, cardinals, such as we've seen during this debate, go around the country, either to their parishes or in other forums, and say, as they are saying, that "we think use of nuclear weapons is wrong"—and some of them are saying, in fact, "we see no way that nuclear weapons should ever be used"—isn't that going to have an influence on the debate?

The President. Well, is it really? Is there anyone that really favors using those weapons or that wants to see them? Our own proposals in START and INF are aimed at starting to reduce those weapons. And my own hope is that maybe once we start, that we can completely eliminate them.

What we're talking about is a weapon that is so contrary to what used to be, before Hitler invented total war—what used to be the policy of all nations by way of the Geneva rules and regulations concerning warfare. And that is that you did not make civilians targets of war. We used to have very specific rules about that in the rules of warfare. And then came total war in World War II, and, yes, all of the nations finally were doing it with the conventional weapons, bombing and so forth.

But this now—can anyone—granted that your weapons are targeted on weapons, but this kind of weapon can't help but have an effect on the population as a whole. So, they're not saying anything we don't say, that, God forbid, those weapons should ever be used.

Q. Could you clarify it, Mr. President?

The President. What?

Q. Are you saying that based on what you've seen so far, there's nothing inconsistent in the bishops' letter with your adminis-

tration's policies?

The President. Well, as I say, I have not seen it yet, and 45,000 words are a lot to digest. But what I'm saying is that I think their purpose is the same as ours. They're looking for a way toward peace and promoting world peace, and that's what we're also looking for. And I think that to just deal in the specifics, and so far all of the accounts of this and all of the reporting has dealt on that one word, as if the difference between "curb" and "halt"—we've had some indications that, in reality, there are many things in there that we'll have no quarrel with at all.

Nuclear Arms Reduction

Q. Mr. President, Soviet leader Andropov yesterday made a new offer in the medium-range missile talks. Do you see anything positive in what he called for yesterday?

The President. Well, yes, the very fact that they have moved toward discussing warheads instead of missiles. We feel that way and have felt that way for some time—that this is what we should be negotiating. And we're going to give this serious consideration, as we do any proposal that they make, and I will be talking to Dr. Nitze before he returns to the INF talks about this. And I can't go beyond that now in giving any indication—

Q. Well, if I might just follow up. What about the fact that he continues to want to include the British and the French missiles, the fact that he's not talking about Soviet missiles in Asia?

The President. Well, this is, as I say, this is going to take careful consideration to see where it figures in with what we're trying to accomplish in those meetings. And I can't go beyond it, because then you get into the very area of talking about negotiations, and you can't do that in advance.

Q. Mr. President, I was wondering, the administration has initially seemed to characterize what Andropov said as less than sweeping in terms of the changes that he's offered. But I was wondering whether you felt, based on what you've seen, read, and heard, whether this seemed to you like a sincere effort on his part to break the impasse or whether it was just another chap-

ter in the propaganda back and forth.

The President. Well, this'll be determined, I think, when the negotiators get back there and are actually at the meetings. But as I say, the encouraging thing was that he made a proposal. And it was a proposal that aimed at something that has been a consideration of ours, and that is that we should be negotiating warheads and not just missiles. Now, you won't know until you really sit across the table from them whether this was just propaganda or a proposal.

Q. Are you saying that you think this improves chances for an agreement this year?

The President. I can't put a time limit on it. Remember, it took 7 years to get the SALT agreement. I can only say that the very fact that they're at the table and returning to the table is encouraging to me, when you look back at the history all the way to the end of World War II in attempting to get negotiations of this kind with them. But we're encouraged by the fact that they are there at the table and willing to discuss and have actually made a proposal of their own.

Nuclear Arms Freeze

Q. Going back to Carl's question a second, some of your aides have expressed the opinion that the nuclear freeze movement may be on the wane. Do you share that view?

The President. Be on the wane?

Q. Yes.

The President. No. But I could express a hope that—I haven't given much consideration to whether it is or is not. I hope it is, because I think it's counterproductive.

Actually, we're all talking a freeze, but we're talking something that is practical—that, if you once get down to a verifiable balance—they are talking, and have been talking, of a freeze even though there is a great imbalance, which we think would increase the possibility of war if one side has too much of an advantage over the other.

And so, what we have said is, reduce first, and then freeze. And we've always thought the fallacy in the freeze movement was they wanted to freeze first, and then see if you could reduce. But there wouldn't be any incentive for the Soviets with the margin of superiority they have to, once

they had a freeze, to then go for reductions.

So, if, as you say, the movement is on a wane, maybe they've begun—maybe many of them who, I'm sure, are quite sincere have seen the fallacy of that position.

Nicaragua

Q. Mr. President, moving on to another topic, before this session began, you asked why you shouldn't be scolding members of the House committee that voted yesterday to stop funding for overt operations against Nicaragua. Do you really see any consequences of that action? Does that vote stop you from doing anything or hinder anything your administration is doing?

The President. Well, that's in a committee. And there is the Senate yet to go on this. And I would hope that maybe we could do better there. It also had an element in it that looked at partisanship, since the vote was on straight party lines. And I don't believe that that reflects the thinking of a great many Democrats, because many of them spoke up right after my speech.

Q. Does this vote indicate that you failed in your objectives in that speech?

The President. No, as I say, because I know that there are still a great many Democrats who've been quite outspoken, including some of the leadership in the House of their party, in support of what I had proposed—of making this a bipartisan approach, and even being critical of some of their Members who did seem to sound partisan.

The thing that needs telling about this whole situation in Nicaragua—I thought I had covered this subject, but maybe I didn't cover it enough the other night—and that is that, right now, these forces that have risen up in opposition to the Sandinista government are under what you might say is a sort of a group, a controlling body that formed in the northern part of Nicaragua. There are about seven leading members to this kind of committee. Most of them were former anti-Somoza people. They are people who simply want this Government of Nicaragua to keep its promises.

If you remember, the Organization of American States asked Somoza to resign at that time. And Somoza, his reply to them

was that if it would benefit his country, Nicaragua, he would. And he did resign. The Organization of American States also gave four points to the Sandinistas that they, the Organization of American States, would support them if their goal was these four things: of promoting democracy, of immediate elections, of a concern for human rights. And the Sandinistas acceded to that and said yes, those were their goals, and they would keep those four provisions or promises. And they haven't. They never made an effort to keep them. They violated all of them.

Now, this is what makes me say that there's a great hypocrisy there of the Sandinista government protesting what is happening in its own country and from people who were once part of its own revolution at the same time that they are supporting people in another country who are seeking to overthrow a duly elected government of the people.

Q. Mr. President, in referring to these groups, you seem to suggest that these groups are seeking a change in Nicaragua itself. And how does that statement square with your saying that we're not violating the law in aiding groups who seek the overthrow of the Nicaraguan Government?

The President. Well, do they? Or are they asking that government—or that revolution of which they themselves were a part—asking it to go back to its revolutionary promises and keep faith with the revolution that the people of Nicaragua supported?

Many of these people are businessmen whose businesses have been taken over. They are farmers whose land was seized by this government, farmers whose crops were—they were forced to sell them to the government at less than the cost of production. And they're protesting this violation of what had made them support the revolution to begin with.

But the whole purpose of the Sandinista government seems to be not only with El Salvador but the export of revolution to their other neighbors, to countries that are already democracies. Honduras has taken that step; Costa Rica, the oldest democracy of all. And all of them are plagued by radicals in their midst who are encouraged by the Sandinista government.

Q. Mr. President, I'd like to go back to what the committee actually did yesterday in voting the cutoff. CIA Director Casey is reported to have said it would lead to a bloodbath for the guerrillas inside the country. Do you agree with that? And how seriously do you take what the committee does? How bad would it be if that cutoff of covert aid went through?

The President. Well, I'm saying if—well, if that became the policy, I think it would set a very dangerous precedent. The executive branch of government and the Congress has a shared responsibility, as I pointed out in my speech, for foreign policy. And we each have a place in formulating foreign policy, but we each have a responsibility also. And I think that what I said about this was that it was very irresponsible. And it literally was taking away the ability of the executive branch to carry out its constitutional responsibilities.

Q. Do you believe that it would lead to the bloodbath that the CIA Director talked about?

The President. Well, I haven't heard his entire remark in connection with that term or how he described it or what he meant with it. I'll make it a point to find out.

I once used a bloodbath term as Governor of California, and one individual reversed it in the press and had it saying the opposite of what I had intended it to say, and I never did quite get the situation cleared up.

Q. Well, what—I don't understand. What's wrong with the committee's position? What difference does it make if instead of giving covert aid to the guerrillas in Nicaragua, you give overt aid to the countries of El Salvador and Honduras to stop the flow of weapons through their countries, which is what you say you want in the first place? What's wrong with that?

The President. Well, except that then the only help that you can give is through other governments, and I don't think that—that's an effective thing to do. And how do you know that the other governments would want to, themselves, then, participate in helping the people that need the help? In other words, we'd be asking some other government to do what our own Congress

has said that we can't do.

Foreign Policy

Q. Let me ask you a broader foreign policy question that comes up with all this—some of these other negotiations. You've been in office now more than 2 years, more than half of the term for which you were elected. And the arms talks are going along with no clear end in sight. The Middle East situation, if anything, has gotten worse, that we're trying to get an agreement now to get the Israelis out of Lebanon, where a year ago they hadn't even gone into Lebanon yet. And then our relations with China have deteriorated. We've had a lot of problems in Western Europe. What do you say to those critics who say that your foreign policy has been very unsuccessful so far and that it's produced nothing?

The President. Well, I say that that's a very distorted picture. And I think that we've made great progress.

Beirut is no longer being shelled on a daily basis round the clock, 15 hours of bombardment in 1 day. Yes, we're down to negotiating—sure, there are incidents—but we're down to negotiating the withdrawal of foreign forces after 8 years of combat and invasion and harassment from outside as well as inside in Lebanon.

With regard to Western Europe, I don't believe that the NATO alliance has ever been any more solid than it is now or that there's been a better relationship between us and our NATO allies. The same thing is true in Asia and Japan with the ASEAN nations. I could wish that we could move faster in some of these things. And when you say the arms talks, as I said before, it took 7 years for the SALT talks.

Q. Four years ago when the Carter administration was in its third year, they had completed the Camp David agreement and the treaty from that; the SALT treaty was about to be negotiated; normalization with China had taken place; and the Panama Canal treaty had been approved. So, they had some tangible things which they had achieved. Can you name several, besides the opening up of Beirut, that you've achieved?

The President. Well, in the first place,

China relations had been normalized by the visits of a previous President to the previous administration. And he carried on from there. And I'm not at all sure that added anything to what had already been accomplished.

With regard to the Camp David agreements, yes, they started, and we're proceeding within the framework of those agreements, because those agreements were simply to begin negotiations. And it was after we got in that the principal step between Egypt and Israel was carried out, which was the return of the Sinai. And what we're actually doing now is trying to bring about the negotiations that had been proposed and apparently, then, accepted—which was to negotiate the West Bank and try to bring peace in the Middle East.

But we're the ones who've gone a step beyond that with regard to trying to have an overall peace in the entire area. That had never been proposed.

Palestine Liberation Organization

Q. Mr. President, you said the other day that too much attention had been focused on bringing the PLO into the negotiations. I'm wondering, do you have a plan to proceed without the PLO if they decide not to become a part of the process?

The President. Well, this would require, of course, the agreement of the other Arab States—of the Arab States. And, since the negotiations we're trying to bring about are between the Arab States and Israel for peace in the region, we have to recognize their position with regard to this. It would take them agreeing to go forward in negotiations without the PLO.

I must say that the contact we had with the heads of many Arab States after the change in the supposed agreement between King Hussein and Arafat when the council overrode Arafat and then demanded things that Hussein could not accept, that none of the others could accept—I talked to all of them and none of them wanted to back the PLO in that new proposal. They felt about it the same as we did and the same as King Hussein did.

Now, they continue in their talks with Arafat, and I have been told that Arafat,

himself, did oppose the council on that change but was overruled by the council. Now, the thing that we must see is, do we let that council, which certainly was never elected by the Palestinian people—there are millions of Palestinians—and are they going to stand still for their interests being neglected on the basis of an action taken by this group, the PLO, which, as I say, was never elected by the Palestinian people? These are some of the things that we're trying to work out.

Q. Would you like to see—would you like to think of encouraging, for instance, a referendum among the Palestinians to see whether some other leadership or representation could be—

The President. If such a thing were practical and could be worked out—I don't know, in the scattered nature of them, there are Palestinians in virtually every country in the Middle East—I don't know whether you could ever get them together and bring about what—or even do the educating of them. That's—I don't mean that word to sound demeaning or degrading to them, but I mean the informing them so that they could go in with some concept of what it was they were voting on. And so, I don't know. But I do know that the Arab nations are very serious about wanting the continuation of the peace talks.

Q. And that is an option that has been discussed, you've discussed with them is some kind of referendum?

The President. As to where—no, no, I've never discussed that. But we're in communication with them all the time about how we proceed. And, as I say, I think that for a time there and the way that was portrayed to think that all of this could be blocked by just this decision by that council was giving them too much importance.

White House Staff

Q. Mr. President, on another topic, once again there have been another rash of stories about feuding among your senior staff—some of the stories relating to various issues that have run into trouble in Congress, have indicated this is not just a matter of internal rivalry, but it's affected strategy, has caused you some setbacks and defeat. Sometimes from some of your re-

marks about this in interviews, you seem like the only one in Washington who doesn't believe that some of your top aides are at each other's throats. And some of us wonder, do you—when you read these stories, do you call people in and ask them about it? Do you not believe them? Do you think they just should be dismissed out of hand? Is it not a problem in your administration?

The President. Well, I have to say that I think there's been great exaggeration. And I think to portray that there are factions trying to win over my mind probably, as I've said before, springs from the fact that the manner in which I ask the Cabinet to operate, my administration to operate, is one of that I want all options and I want them debated in front of me. So, it is true, and this is very upsetting and disturbing then, for someone to go out and leak some information that makes it look as if, well, there was a loser. Now, this bothers me from the standpoint that in Cabinet this could inhibit the process that I want.

What we have is—because most issues don't just concern one Cabinet agency, they do spread across a lot—and so here you have this debate going. And, yes, there will be disagreement. But finally, in the basis of the information that has come out of the debate, I make a decision. Well, in that decision then there's got to be some who were on the wrong side and some on the right side. But the very next Cabinet meeting it may change. And so far it hasn't inhibited them.

But when you pick up the paper and then read, "Well, Secretary So-and-so was a loser in this. He was opposed to this." And then it makes it sound like this is all some kind of feuding. It isn't. It's what I have asked for.

Q. Well, why do you state—the impression is that you stay aloof from the fray when there's criticism—following up on Carl's question—that your foreign policy conduct is being affected by the continual criticism from this building of Judge Clark—and now on Capitol Hill, too. Why do you not get involved in that?

The President. Well, that is—I am. And I am, believe me, trying to find out who is

carrying this out.

Q. How are you doing that?

The President. When we sit in here, in a briefing on foreign policy, we're all in here together, all the top staff, and everyone has a chance to speak up with whether they agree or disagree. And the same is true on domestic policy when we sit in here in this room and discuss domestic policy as well as when we do it in the Cabinet meetings. And, yes, I am very upset by whoever is carrying these tales—

Q. How are you trying to find out? What—

The President. Well, that—I can't give you specifics. But just let me say that I am dealing with this.

Q. Are you satisfied with the way your staff is working now or do you intend to make some changes?

The President. No, I'm satisfied because we—it is working.

Q. Are you telling us, for instance, that you do not believe the theme of persistent stories, in specific, such as that there is a great deal of serious friction between Judge Clark and Jim Baker? Are you saying that that's not, that that's an exaggeration and not an accurate portrayal of—

The President. Yes, I am. And I think what happens sometimes is people at a different level go out with stories because they think that they're speaking in behalf of their side of the fence or their superior. And, they're causing a lot of needless trouble.

Central America

Q. Mr. President, may I ask another question about Central America?

The President. Yeah.

Q. Many members of the administration say that our commitment there must be, in El Salvador, must be a sustained one and that it could take 7 to 10 years to turn things around. I think Ambassador Hinton suggested as much recently. Is that your view?

The President. Well, I think that he—I may be wrong, but I think that when he made that statement, he was talking with regard to the limited way that we have been trying to perform there. I know that guerrilla wars—time is on the side of the

guerrillas and they aren't something that is instantly resolved, just as terrorism isn't something that can be curbed just by normal police actions. These are very difficult things. The hit-and-run tactics of guerrillas are similar to terrorist activities. It's, I suppose, based on an extension of the same principle that you can't ever totally eliminate crime.

Q. But do you think if this aid package were approved by Congress, that it would be sufficient to turn things around there this year? Your own proposal calls for less aid next year, and it seems to suggest that this surge of aid would do the trick.

The President. Well, the surge we're asking for right now is a restoration of what we asked for in the first place. And, as I say, it's better than 2 to 1 economic aid.

The problem with a country like El Salvador and what its problems are right now that requires military aid in the sense of more training, so far only having trained a tenth of the army—more training that we could offer, more military supplies and ammunition and so forth—we must do is, when you've got a government that is trying to reverse the course, the history of the country and bring about democracy and human rights and the things of that kind, and you have guerrillas that are making it impossible to function or for those programs to function, what good does it do to have a land reform program and give land to the peasants if the peasants can't go out and work the land for fear of being shot by the guerrillas? What good does it do to try and improve the economic standards of a people if they're out of work simply because someone has shut off the power and the factory can't operate or transportation has broken down so that the supplies that are needed and the products from whatever they're working on cannot be transported, because of the bridges and so forth that are blown up.

When a third of one area of the country—a third of the year, they were totally without power, well, then you have to say, "If we're going to make this economic improvement work, we've got to stop that conflict." We have to stop those people that are preventing the economy from moving

with their firearms and their murders and so forth. And this is what, it seems, that sometimes the debate in the Congress, they seem to be ignoring.

Q. Mr. President, can I follow up on something you said earlier? Did I understand you to say that if you were forced to stop aid to the Nicaraguan guerrillas, that you would try to funnel it through other countries?

The President. No, I was saying that's what the committee said, that the committee said we would have to go overt, and, then, in going overt, you can only give money to another government. And, if you did that, then you would have to be depending on—well, maybe those other governments in Central America would give that money to the freedom fighters in Nicaragua.

Now, if they want to tell us that we can give money and do the same things we've been doing—money, giving, providing subsistence and so forth to these people directly and making it overt instead of covert—that's all right with me. I just don't want the restrictions put on it that they might put on.

Q. You'd be willing to accept the idea of overt aid to the anti-Sandinista guerrillas in Nicaragua?

The President. Yes, but not if they do it as one individual or more than one, has suggested on the Hill—that they would do it, and then, we would have to enforce restrictions on the freedom fighters as to what tactics they could use. And I have said that if we were to do that, then I would expect that the only fair thing would be that the Nicaraguan Government would itself impose the same restrictions on the freedom fighter, in El Salvador—only I don't call them freedom fighters, because they've got freedom and they're fighting for something else. They're fighting for a restraint on freedom.

Q. Can I just—all of a sudden now we're aiding freedom fighters. I thought we were just interdicting supplies into other coun-

tries.

The President. I just used the word, I guess, "freedom fighters," because the fact that we know that the thing that brought those people together is the desire, as I said, for the same revolutionary principles that they once fought and have been betrayed in. As I say, they've made it plain: They want what they once fought beside the Sandinistas to get. And they've been betrayed. And I thought that the use of freedom fighters was because—I found out that it seems as if there's a kind of a bias in the treatment of guerrilla fighters. It depends on what kind of a government they're opposing. And some are treated more kindly than others.

Now, I think the ones in El Salvador who are fighting against an elected government, they're guerrillas. But in reality, when we talk about Nicaragua and everyone says, "the government in Nicaragua," well, it was a government out of the barrel of a gun. And, true, we favored it before I got here. We did not lift a hand for the existing government of Nicaragua, because we did not believe that it was treating its people fairly. And here was a revolution that took place that seemed to express all the things that we all believe in.

Well now, they have not carried out those things. And they are there by force. And what really—other than being in control of the capital, you might say, and having a handle on all the levers—what makes them any more a legitimate government than the people of Nicaragua who are asking for a chance to vote for the kind of government they want?

Note: The exchange began at 2:09 p.m. in the Oval Office at the White House. Participating in the exchange were George Condon of Copley News Service, Bruce Drake of the New York Daily News, Sara Fritz of U.S. News and World Report, Carl Leubsdorf of the Dallas Morning News, Chris Wallace of NBC News, and Steven Weisman of the New York Times.

Message to the Senate Transmitting the International Coffee Agreement 1983 *May 4, 1983*

To the Senate of the United States:

I am transmitting herewith, for the advice and consent of the Senate to ratification, the International Coffee Agreement 1983. This Agreement would enter into force October 1, 1983, for a period of six years. I am the fifth President since 1962 to seek favorable Senate consideration of a new or extended International Coffee Agreement. The 1983 Agreement is similar in many respects to those of 1962, 1968 and 1976, but it contains several improvements of importance to the United States. I strongly urge that the Senate give advice and consent to ratification of this Agreement, thus signaling that the spirit of cooperation which has characterized the international coffee community these past 20 years will be continued and strengthened.

Coffee is vitally important to a large number of friendly, developing countries in Latin America, Africa and Asia. In terms of value, it is the most important agricultural commodity exported by developing countries. In 1981, coffee exports by these nations amounted to \$8 billion. Eighteen countries obtained more than 20 percent of their total export earnings from coffee. Altogether 71 countries participated in the negotiation of the International Coffee Agreement 1983 and are expected to join it. In 1982 the United States imported \$2.7 billion worth of coffee, 30 percent of the amount traded internationally.

The International Coffee Agreement 1983 represents the latest development in twenty years of United States leadership in international coffee cooperation. The impetus for the first International Coffee Agreement in 1962 came from the United States and Brazil. We participated actively in the negotiation and implementation of subsequent agreements in 1968 and 1976. The 1976 Agreement, successfully negotiated in a difficult period immediately following the disastrous 1975 frost in Brazil, has been generally successful in keeping coffee prices within the agreed range once quotas came

into effect in late 1980.

The basic framework of the 1983 Agreement is similar to that of the 1976 Agreement:

—Its objective is to stabilize the price of coffee within a range that is acceptable to both consumers and producers.

—Its principal economic provision is a system of country export quotas which are decreased when prices are declining and increased when prices are rising in order to seek to keep the price of coffee within the agreed range. In periods of exceptionally high prices quotas are suspended altogether in order to encourage maximum exports. The quota system is enforced by the importing members.

—It promotes the maintenance of adequate coffee stock levels by making each producing country's export quota partially dependent on its level of stocks. These stocks can be released in a period of high prices to put immediate downward pressure on the market.

In the 1983 Agreement, however, the United States sought and achieved several improvements:

—An enhanced role for importing countries in the determination of individual country export quotas.

—More effective provisions regarding the declaration of export shortfalls to assure that export quotas remain realistic.

—Language clarifying the obligation of producers to refrain from market activities outside the scope of the Agreement.

International Coffee Agreements have aimed at balancing the economic interests of producers and consumers, and each has been an improvement over the predecessor in this regard. Like the previous Agreements, the 1983 Agreement is intended to stabilize coffee prices for short-run periods along long-term market trends. The Agreement itself contains no fixed price objective; rather, each year the members of the Agreement will establish a price range based on current production and consump-

tion trends, inventory levels, and other factors that influence the market.

I believe that the International Coffee Agreement 1983 represents an important element in the continuation of the cooperation between coffee-producing and consuming countries. It provides the framework and the flexibility for the United States to continue the special relationship we have fostered with the coffee countries since 1962.

I recommend that the Senate give early and favorable consideration to this Agreement and its advice and consent to ratification. The United States Trade Representative will separately submit proposed legislation to implement the Agreement through September 30, 1989.

RONALD REAGAN

The White House,
May 4, 1983.

Message on the Observance of National Nursing Home Week, May 8-14, 1983

May 4, 1983

During National Nursing Home Week, nursing homes throughout America will honor their elderly residents as a very special link to our heritage.

As the 1983 theme declares, "Memories Are Made To Be Shared." From our older citizens we learn about the roots of our families and communities. We share valued memories, and through sharing our seniors refresh their lives and we gain precious new understanding and insights about ours.

While nursing home staffs provide care with skill and kindness, visits from family, friends, and volunteers add immeasurably to the lives of elderly residents.

In observing this week, I urge each of you to reach out to share time and compassion with the men and women who live in nursing homes in your communities. We all will be richer for the effort we make.

RONALD REAGAN

Statement on Action by the House of Representatives on the Nuclear Arms Freeze Resolution

May 5, 1983

Nearly 2 months ago, the House of Representatives began a serious debate about alternative approaches to arms control. This debate, one of the longest in the history of the House, not only elevated understanding of the issues, but made it clear that the issues themselves are enormously complex. There are no easy answers to arms control.

During this debate, it became apparent to more and more Members of the House that an immediate freeze, while superficially appealing, is fundamentally flawed. For more than 30 years, we have maintained world peace because the United States maintained effective forces of deterrence;

we must not jeopardize our ability to keep the peace. Nor can we lock the United States into a position of inferiority. And we must not take any steps that would disrupt the highly sensitive arms reduction negotiations underway in Geneva.

I am pleased that a great number in Congress came to recognize the threats posed by a simple "freeze now" approach and passed amendments that sought to improve the final resolution passed by the House. The Levitas amendment was especially welcome, because it recognizes the importance of arms reduction in achieving genuine

arms control.

The balance of the resolution that was passed last night is ambiguous and, indeed, so internally inconsistent that interpretation is difficult. For example, the resolution calls for a freeze while also expressing the need for maintaining equivalence and a stable international balance. As stated many times before, this administration agrees that the maintenance of an arms balance is essential. But an immediate freeze would prevent us from having it. In sum, the resolution final-

ly adopted by the House, while greatly improved, is not an answer to arms control that I can responsibly support.

Should this debate now move on to the Senate, I am confident that the doubts and opposition to a simple freeze now will continue to grow. In the meantime, this administration will continue to press forward vigorously at the negotiating table for arms reductions that I believe remain the best, true hope for peace and stability.

Nomination of Ford Barney Ford To Be Under Secretary of Labor May 5, 1983

The President today announced his intention to nominate Ford Barney Ford to be Under Secretary of Labor. He would succeed Malcolm Lovell, Jr.

Mr. Ford is presently serving as Assistant Secretary for Mine Safety and Health at the Department of Labor. Previously he was vice president of the California Institute for Industrial and Governmental Relations and served as president of the Oilquip Marketing Corp. He was chairman and public member of the California Occupational Safety and Health Appeals Board in 1973-1978; deputy secretary, California Re-

sources Agency, in 1967-1973; executive director and chief consultant, the Senate Fact Finding Committee on Natural Resources, in 1959-1967; associate administrative analyst, Joint Legislative Committee, in 1955-1959; and an inspector with the Coca-Cola Bottling Co. in 1948-1955.

He graduated from the University of California (B.S., 1948) and attended Virginia Military Institute. He served in the U.S. Army in 1943-1946. He is married, has two children, and resides in Woodbridge, Va. He was born November 19, 1922, in Norton, Va.

Interview With Allan Dale of WOAI-Radio in San Antonio, Texas, on Domestic and Foreign Policy Issues May 5, 1983

Mr. Dale. Hello. You're on "Radio Free Texas."

The President. Well, Allan Dale, it's good to talk to you again.

Mr. Dale. Mr. President, thank you very much for taking the—it is our honor to have you on. You know, you've been on this program four times in 25 years. Did you know that?

The President. I know.

We're just about to land in your city of San Antonio there. I'm up here in Air Force

One. We're on our way in. And I know that San Antonio just recently received the All American Cities award. I was pleased to present it to your Mayor Cisneros there in the Oval Office. And I'm looking forward, today, to taking part in the Cinco de Mayo celebrations there at Plaza Nueva, and to emphasize our close ties with Mexico. I'll be talking about the ways that we are going to be working with the Mexican Government to help solve a number of economic problems.

Mr. Dale. Mr. President, it is very proper that you be here on Cinco de Mayo, because, believe it or not, General Ignacio Zaragosa is a south Texas boy. He was from Gonzales—

The President. Allan, I don't know whether I lost you there or not—or where. Over.

Mr. Dale. Okay. We're having—as you know, this is a little bit of a difference—I was saying, Mr. President, that General Zaragosa is a Byhill Mission boy, just a few miles from San Antonio, from Gonzales.

The President. Well, that's good to hear.

Mr. Dale. And he was the one who stopped the French.

The President. I hope that we can stay connected here. As I said—I don't know whether you heard me say that we're on our way in to land.

Mr. Dale. Oh, yes. I'm hearing you loud and clear. Can you hear me, Mr. President?

The President. Yes. Now, I'm hearing you loud and clear, too.

Central America

Mr. Dale. Very good. I was just mentioning the fact that General Zaragosa who stopped the French from getting a foothold in this country—like your administration is trying to do—stop in Central America—is a south Texas boy.

The President. Well, I didn't know that. And I'm glad to know that, because, you know, I'm asking for bipartisan support there in Congress in helping our friends in Central America develop their economies and democratic institutions, and protect themselves against the enemies of democracy and against aggression from Cuba and Nicaragua and, yes, the Soviet Union. Well, I'm glad to hear that.

Mr. Dale. Mr. President, why do you think that so many people are objecting to this policy: to keep out a foothold of communism in Central America?

The President. I think they've been taken in by, maybe, some careless reporting, maybe by what's been quite a concerted propaganda campaign. But I can tell you that we have polls that show that an awful lot of people in the country just aren't quite sure, to tell you the truth, where Nicaragua and El Salvador are or which side we're on. They just don't have the information. And

this is one of the reasons I went on the air with the speech the other night. And it did have some effect on them.

As a matter of fact, now a poll shows that 80 percent of the people, if you ask them the direct question—"Would you like Cuba to get a Communist foothold and have that kind of a country here in Central America?"—more than 80 percent of the people in America say, "No."

Mr. Dale. Well, Mr. President, it's even higher on this program. I would say it's 95 to 5. The people are still supporting you and what you want to do down there.

The President. Well, I am delighted to hear that.

I might tell you that we got the biggest response in telegrams and things of that kind and phone calls that I've gotten on any speech that went on the air since I've been President, and the biggest—[inaudible]—Texas and Florida—[inaudible].

Mr. Dale. Well, of course, we're on the firing line, aren't we, Mr. President?

The President. [Inaudible]—Central America.

Mr. Dale. As you can tell, we're fading out.

Mr. President, you know, we in Texas are on the firing line. And I doubt very seriously, if we'd like to have another Cuba right across the Rio Grande River.

The President. And that has to be the ultimate goal of the people who are trying to subvert those countries and get a foothold here on the mainland. North, South America, Central America, we are all Americans—from the South Pole to the North Pole. And we have to remember that we're kin to each other.

Nuclear Arms Reduction

Mr. Dale. Mr. President, let me change the subject just a minute. What do you think of Russia's Andropov's new offer to cut back on nuke arms?

The President. If it is a real offer, I could approve it, because we believe that warheads rather than missile launchers is the thing we should be dealing with, reducing the number of actual warheads that each country has aimed at the other. If, again, it's just a propaganda ploy to try and head-

off our trying to curb the spread of intermediate-range weapons in Europe, then we'll have to deal with that, also.

Mr. Dale. All right.

I don't know how long you plan to be on the air with me. And there's one—there are several questions I would like to ask you. So, you'll have to alert me when you're going to land and you'll have to leave. Would you do so?

The President. I sure will. We're still up here too high to jump. I can tell you that.

Mr. Dale. Okay.

Unemployment

Mr. Dale. Let's talk about some other things. What do you think is the greatest problem that we have in the United States?

The President. Some other problems, you say, that we have in the United States?

Mr. Dale. What—in the estimation of the President of the United States—what is our greatest problem?

The President. Well, I think right now—and, of course, it's looking better—the economy. We know it's turned around. That has been our problem: this great, worldwide economic slump. And I have to say that we're happy about the signs of recovery.

But we also know that the last to come back in an economic recovery is the problem of unemployment. And those people out there who have been laid off and who are still waiting for an opportunity to work, we all have to pitch in and do everything we can to see that, as quickly as possible, they can get employed.

Mr. Dale. But you know, Mr. President, I think sometimes we all forget that we are 6 percent above on employment figures in the United States and, in the State of Texas, 25 percent above employment.

The President. Yes. This is one of the things. We, right now—part of our problem is structural. The work force—normally, they say that the potential work force in our country is everyone from age 16 to 65. Today, with all of our unemployment, we have the highest percentage of that overall work force employed than we've ever had in our history. And that means that a great many more people have entered the work force that, once upon a time, didn't. Probably, this is due to more women in the

work force, which we're all in favor of, and it's probably more young people.

News Media

Mr. Dale. Mr. President, why do you think the media is not recognizing this and giving the same kind of headlines they gave to the recession?

The President. Allan, I've been quite critical of that. I think that sometimes there's a—particularly on TV news—there's an attempt to be entertainment as well as news. And these emotional scenes of people that we can all feel sorry for and that we all want to help, I think they just—they're tempted into doing more of that.

Let me give you an example. They have, repeatedly on the news, given the figures of how many businesses went bankrupt last year in America: somewhere around ten or eleven thousand. Why didn't they add that at the same time last year more than 600,000 new businesses started up in America?

Mr. Dale. Maybe, it's the old "man bites dog" idea that bad news is best.

The President. Yeah, and we could take some relief or some pleasure out of that because, if the good news is so ordinary, if there's so much more of it than bad news—that it isn't "man bites dog," well, then maybe we ought to be a little pleased with that—that it is still considered sensational when there's something bad or wrong to report.

President's Popularity

Mr. Dale. Having had you on several times, I know you're a sensitive man. You have a good humor. But how does the President of the United States and his First Lady cope with some of the bad news and the people marching against you, some of the things said?

The President. Well, maybe I got accustomed to it back in those riotous days when I was Governor and when there was so much anti-Vietnam demonstrations around the country, and such rioting on the campuses and so forth. I got, kind of, accustomed to seeing it.

But, also, I don't believe those that are taking to the street in these demonstrations

represent a sizable majority of Americans at all. We've got a country in which every safeguard in the world is provided legally for people to register their complaints, their differences, and their problems with the government, and attempt to get a legitimate change through legislative channels. And those who take to the streets—this just isn't in keeping with what this country's all about.

Mr. Dale. How does First Lady Nancy take all this?

The President. Well, I think that she probably gets more upset, as any wife would, when she's reading the things that they say about me. She developed a kind of a habit in Sacramento—when it was all kind of new to us—that, she'd take a nice, warm bath. Then when she was in the bath—[inaudible]—and I would come in the house, and I could smell the bath oil when I came in the front door. And I knew that there must have been something pretty bad in the press about me. But she's gotten over that and we—we just take it in stride.

Mr. Dale. You know, Mr. President, I'm of your vintage, so you remember Gabriel Heater. And I worked with him in New York, and he told me something that has stood me in good stead—I'll pass it on to you for what it's worth. He said, "Allan, only believe half of the good things people say about you and half of the bad things, and everything'll be all right."

The President. That's not bad. You know, I guess every President has had this. I've seen some interesting—oh, things that have appeared sometimes with writers writing some diatribe that sounds as if they're talking about a current President like myself, and then just for surprise they will then reveal at the end that this was what was said about Abraham Lincoln or some other great hero of ours. So, maybe we have to wait for history to straighten everything out.

1984 Candidacy

Mr. Dale. Mr. President, how does First Lady Nancy feel about you running for President again?

The President. We haven't sat down to talk about that yet.

Mr. Dale. Oh, come on, really?

The President. My judgment is—it's too early to do that. We haven't actually made a decision. We're not playing any games or anything. I know that it has to be done, but I don't think this is the time to do it. If the answer would be one thing, I would become a lameduck. And if the answer was the other way, yes, then everything I tried to do would be viewed by the opposition as part of a political campaign and maybe we couldn't get as much bipartisan cooperation as we need.

Mr. Dale. Okay. I'm going to try to ask you, as long as I can hold you on, some of the questions that some of the listeners wanted me to ask you, because there was the request that you not speak to listeners because of the hook-up between you, I mean us and Air Force One. One of the questions—

The President. Okay, go ahead.

Mr. Dale. —they want to know is, do you plan any change in the leadership in the Federal Reserve?

Federal Reserve Board Chairman

The President. This again, I saw some of those rumors printed in some of the papers in the East. And I can tell you, there hasn't been in the White House any discussion of this. That's something that isn't going to happen, and we probably don't have to meet till later in the summer. We haven't had any discussion about it at all.

Catholic Bishops' Pastoral Letter

Mr. Dale. What effect will the Catholic bishops' letter on this nuclear arms thing have on you? Are you going to give up eating meat on Friday?

The President. Now wait a minute, just wait a minute—start again on that.

Mr. Dale. All right, I said what effect will the Catholic bishops' letter on the antinuclear arms have? And I asked you if you were going to give up eating meat on Friday, as they suggested.

The President. [Laughing] No, and I'll tell you, we're waiting to see that. Actually, the letter is 45,000 words long, and all of the attention seemed to be on that one word, the change from "curb" to "halt." But from information that I have from some observ-

ers, they say that we're going to find that the basic emphasis of the letter, aimed at the same thing we're aiming at—world peace—and that it isn't going to be, as originally it was supposed, and looked like some kind of an attack on our policy. So, I'm going to wait and see what they have in the letter.

Mr. Dale. You know, this has been one of the things I've noticed about the media. They are always accusing you of shooting from the hip, Mr. President, but I find that you always kind of hold off and choose your words rather carefully until you're ready to say what you want to say, and then you say it.

The President. Yes, I've found that—[*inaudible*—]it looks like something I didn't say. I believe in that. I remember back making some mistakes, when someone would come to me and say, "Did you know that so-and-so was quoted from the paper as having said this about you?" And I would be kind of teed off and sound off a little bit, and then I'd find out that so-and-so didn't really say that. So, I kind of learned then to say, "I'll wait until I know for myself what was said, what's in the letter and so forth, and then I'll answer."

Withholding of Interest and Dividend Income

Mr. Dale. Okay. One of the other questions that bothered a lot of people down here has been this withholding deal on interest and dividends. And I've got to tell you that 95 percent of the people are not in favor of this, and it's almost a popular idea, rather than a bank idea.

The President. Well, I know, and yet you know it's a strange thing that both Houses of that Congress passed that without a murmur—on the basis to which it was presented, and that was before the '82 election. It was never brought up as any kind of an issue in the '82 election; no one said anything about it. And suddenly this great wave of protest, which, we had to assume, was brought about by the lobbying groups, brought this up. But it seems to me that a great many people might not understand exactly what we were proposing and why.

First of all, it isn't a new tax. The people are presently paying a tax on their earnings

and their dividends. And, the only difference was, just like we do with wages, we were going to withhold, because we found that this is one of the big areas where the cheaters, who are not paying their tax, have been getting away with it—billions of dollars not being paid. We thought that it didn't make sense to ask the people who are paying their taxes to pay more tax and let these people go without some effort to get that money back. And I realize that we're faced now with a perception on the part of the people that it somehow is unfair to them. And we're just—I know the Congress is dealing with that right now.

Mr. Dale. In fact, their suggestion is almost like old Kenny Rogers' song, "The Gambler," ". . . you know when to hold 'em, and know when to fold 'em, and know when to walk away. . ." And I think they're asking you to walk away, Mr. President.

The President. Well, we'll wait and make a decision on that when we see what the Congress does. I am kind of sorry about it, because there is so much of our income tax that is based on people's honesty and their willingness to support their government. And to know that there are people out there that are cheating their neighbors and friends by not paying their tax, and that it would be billions of dollars that we could use to help reduce the deficits, I'm kind of sorry that there is so much opposition to this, which was just one of the ways that we're trying to collect that unpaid tax.

Mr. Dale. Mr. President, one of the way-out-in-left-field questions somebody wanted me to ask you, and that is, how in the world do you put up with Sam Donaldson [ABC News]?

The President. Well, he's quite a character, and you get used to him.

Mr. Dale. Can you really get used to Sam Donaldson? [*Laughter*]

Nuclear Arms Reduction

The President. Yes.

Say, listen, they tell me we're coming in on our approach pattern, and before they do, I want to clarify something—

Mr. Dale. Yes, sir, go ahead.

The President. I just had called to my attention here that I had simply said that

we approved of what Andropov said in Russia on the warheads and the arms limitation on those. And I think what I should have said is that we're looking seriously at this to see whether it's for real or whether it is—whether it's just propaganda. And I maybe have given people the wrong impression by using the word "approve." We—let us put it this way—we are happy if he really means it, the fact that they have switched to warheads, which is what we have always wanted to discuss.

Now, before—

Mr. Dale. Mr. President, I want to thank

you sincerely for appearing—

The President. —we start landing, and maybe I'd better say goodbye to you. I hate to; I've been enjoying this very much.

Mr. Dale. Thank you, Mr. President, and I thank you for calling Radio Free Texas. Stop in and see us again.

The President. I'd like to. Goodby.

Mr. Dale. All right. Goodby.

Note: The interview began at approximately 1:30 p.m. as Air Force One was approaching Kelley Air Force Base, near San Antonio.

Remarks at Cinco de Mayo Ceremonies in San Antonio, Texas May 5, 1983

The President. Reverend clergy, Mayor Cisneros, Consul General Gonzalez Galarza, honored guests, ladies and gentlemen:

Buenas tardes. And having said that, I'll have to revert to another language. [*Laughter*]

Today we gather to celebrate a holiday, as you've been so eloquently told by your mayor, that exemplifies the rich cultural diversity that is so much a part of our country. Having spent most of my life in California, I've almost forgotten when I didn't celebrate Cinco de Mayo. This holiday draws our attention, especially those of us from the Southwest, to neighbors and friends who've added so much to our way of life.

While I was Governor of California, I was asked on several occasions to represent the United States in functions across the border in Mexico. And at one of these at which I spoke to a rather large audience, I made my speech, and then I sat down to rather unenthusiastic and scattered applause. And I was a little embarrassed. In fact, I was very self-conscious. I thought maybe I'd said something wrong. I was doubly embarrassed when the next speaker got up and, speaking in Spanish, which I didn't understand, he was getting enthusiastic applause almost every other line. Well, to hide my own embarrassment, I decided that I'd start

clapping before anyone else, and I'd clap louder and longer than anyone else. And a few minutes of that, and our Ambassador leaned over to me and said, "I wouldn't do that if I were you. He's interpreting your speech." [*Laughter*]

But on that occasion, just as on my other visits to Mexico, I've always been struck by our remarkable ties—a cherished possession that we should never take lightly. Understanding this, one of my first priorities as President was to reestablish and solidify our relationship with our neighbor to the south which had been permitted to erode in prior years.

Cinco de Mayo reminds us of—as we've been told—the love of liberty on both sides of the border. And in this love of liberty, you who are Americans of Mexican descent link our two peoples.

There is a bust here in San Antonio of that great man Benito Juarez, one of the heroes of the battle that had gone on for Mexican independence. And on it are inscribed his words: "Among men, as among nations, respect for the rights of others is peace." Juarez, a contemporary of Lincoln, embodied courage, idealism, and tenacity.

These traits not only helped him during the struggle for independence but also through his many years of political leadership in his country. And I know the mayor

will agree that coping with the frustrations of government, while not as acclaimed as struggling for independence, takes all the inner strength and hard work an individual can muster.

Our forefathers, men like Juarez and Lincoln, gave us freedom. Today we must protect it and make it work. You here in San Antonio have much to be proud of in that respect.

The last time I say Mayor Cisneros was in the Oval Office during a ceremony in which he received, on your behalf, the All American Cities award. Now, over the years I've been in this city on many occasions. I know this city, its rich heritage, its pride, and its optimism. And I can think of no better recipient of that award, because you surely represent the all-American spirit.

Now, to commemorate this, I understand that shields are soon to be placed on the highways leading into the city and that we're going to get to see one of them right now. There it is. I was—I didn't know but what—maybe they were going to have to pull a veil when I turned around there. But I see it there and very handsome and deserved.

One of America's finest traditions is voluntarism—the belief that instead of expecting government to do it, we should ourselves get involved and do what we can to help our neighbors and community. And here in San Antonio, your "Teach the Children" program is a fine example of this cherished tradition. With government meeting only the administrative costs, the people of this city are supplying—through voluntary contributions—16,000 children of needy families with clothing and school supplies, so they can attend their classes with dignity.

The director of this program is on the platform today, Nick Monreal. Nick, I know I speak for all of us when I say thanks for all you're doing.

One of the earliest structures built in this city was a Catholic mission, followed by cathedrals and churches of many faiths. Today, a number of these precious landmarks of our heritage, like the San José Mission, are still functioning as places of worship, living testimony that San Antonio is keeping faith with those who came before. I

can think of no greater tribute to our forefathers than the respect of God so evident in your community.

And, similarly, this city continues to be a beacon of enterprise. We all recognize that for many years there was opportunity in our land, but not equal opportunity. It's a tribute to the character of Americans of Mexican descent that during this dark time of discrimination they not only maintained their dignity but triumphed over that adversity.

Today, dramatic advances are being made. Americans of Mexican descent are taking their places throughout the professions as doctors and lawyers and teachers and business executives. San Antonio has spawned a whole new flock of entrepreneurs who are making their mark in the business world.

In government, you're shouldering an ever-increasing responsibility. I am proud that our administration has been able to appoint so far 130 Hispanics to high-level positions in our government. I know that you have already met two of those. And one, of course, our Deputy Administrator of the Small Business Administration, Eddie Herrera, is from San Antonio. And Joe Salgado is our Associate Director of Education.

We've tried to respond to the needs of small business, understanding the relationship between the small business ownership and personal advancement for those climbing the economic ladder. And that's why we've ensured that a higher portion of Federal purchases will be made from minority-owned businesses and why we remain determined that all groups share in this opportunity.

On June 29th, 1982, I signed into law a 25-year extension of the special provision of the Voting Rights Act, the longest period since its enactment. The Voting Rights Act places a ban on literacy tests and other devices that in the past had been used to discourage minority participation, and it requires that certain State and local jurisdictions provide assistance to voters who are not literate in English. Both before and after the signing, this administration has worked vigorously to enforce the provisions of that Act. And we're pledged to ensure

the political rights of all our citizens. That's what democracy is all about, and that's what we're all about.

Ultimately, of course, the upward mobility of all Americans depends on the vitality of our economy. And during the last decade, some thought that America's best days were behind her, that we'd lost our will to excel and that we should resign ourselves to a lower standard of living. We were plagued by double-digit inflation, record interest rates, excessive taxation, economic turmoil caused by irresponsible government policies.

Standing with you today, here in this city that doesn't know what it means to be licked, I can tell you that America is emerging from the economic troubles that we inherited from the 1970's. We've swallowed the tough medicine, and we're in for a strong and sustained economic growth.

Audience member. That's because of you! It's because of you!

The President. Thank you. Well, and a lot of other very good people that are working in this administration, too. But bless you, and thank you very much.

I know that your city, instead of sitting back and complaining and waiting for someone else to do it for you, has been preparing for the opportunities ahead. You've been attracting high-tech companies and other corporations by cutting redtape and removing regulatory roadblocks. Last year we were pleased to approve your city's designation as a foreign trade zone, greatly increasing your potential. You've embarked on extensive renovation projects like Avenida Guadalupe, and this will revitalize San Antonio while still preserving its heritage. City government, business, and community groups have been working closely together to keep San Antonio moving forward. And when I say working together, I know it's hard work.

We're doing all we can at the Federal level. We have dramatically reduced the inflation that was ravaging your standard of living. We've cut personal tax rates. We've curbed runaway spending. We've cut more than in half the prime interest rate, that not only helps you as individuals but also helps your city by lowering its costs. And while waiting for our policies to take hold, we

replaced the old, inefficient CETA program, where only 18 percent of the money was used for training, with new, cost-effective programs. We're channeling resources into preparing workers with the skills that will be needed in tomorrow's job market.

I've always believed that the best thing the Federal Government can do to enhance progress in this country is to get out of the way and let the people get on with it. And consistent with this philosophy, we're trying to return authority back to levels of government closer to the people.

And I'd like to take this opportunity to thank your mayor for all that he's done to support a new approach that we've proposed for community development. It's called enterprise zones. And the enterprise zone concept doesn't rely on more Federal taxing and spending; that approach has failed. Instead, it harnesses the energy of the private sector, pumping new life into depressed areas. Rather than creating jobs in Washington, enterprise zones will produce results where they're needed, right in our local communities. And although we haven't managed to get the legislation through that puzzle palace up on Capitol Hill yet, with the help of Mayor Cisneros and other aggressive local leaders, we hope to attract enough support in the present Congress to give this new idea a chance.

New signs of recovery are seen every day, but I want you to know that I am very deeply concerned about those many people who are still waiting for the upturn to reach them. Many of these people have always worked, and what they've had to endure has been a shattering experience. Well, we're not forgetting them.

As I mentioned, we've provided funds for retraining. I also signed into law an emergency jobs bill that makes \$4.6 billion available to provide the hardest hit with a chance to earn a decent living until full recovery takes hold. In the meantime, we're working with Congress to develop a responsible method to meet the health needs of those out of work and also the needs of their families.

Is Dan Ruge [Physician to the President] here? I think we've—I think we kept someone standing too long.

Audience member. Just run for reelection. Then you can keep up the good work. [Laughter]

The President. Thank you.

Dais guest. You've got a supporter there.

The President. Well, real growth is what we must have—a real growth in our economy—and everything else is just temporary. I was telling you about the economic indicators that show that things are recovering. I think the best indicator that I can cite is that in Washington those opponents who were criticizing our plan aren't calling it Reaganomics anymore. [Laughter]

But I'm also aware that there are certain areas of the country that need special attention. Senator Tower has been in close consultation with the White House in recent months. We're concerned about the impact that the peso devaluation and the financial crisis in Mexico is having on the people of south Texas—and in the border areas of other States. And today I'm pleased to announce that I will soon be appointing a special interagency working group to not only investigate but to recommend specific actions to alleviate some of the hardship caused by economic uncertainty on the other side of the border. This is not just your problem; it's our problem, and we'll meet it together.

We're also trying to do everything we can to work with Mexico itself in attacking the problem. We've offered the government there our assistance. Secretaries Shultz and Regan have been personally involved, and every member of my administration now understands that now is the time to reaffirm to the people of Mexico that we're not just neighbors; we're friends, and we mean to be good friends.

You in San Antonio have long realized this kind of interdependence. Back in 1968, when you commemorated your 250th birthday, you did it with HemisFair—celebrating the community of nations which stretches from the Arctic regions of Canada to the tip of Cape Horn. Your "Tower of the Americas" still stands as a symbol of your hemispheric commitment.

We in the many countries of the Americas have a potential limited only by our good will and our imagination. We have two great continents, rich in resources, in-

habited by more than 600 million hardy souls—people from every corner of the world, people descended from pioneers with courage enough to leave the safety of the familiar and start fresh in a new world. We are, by and large, people who share the same fundamental values of God, family, work, freedom, democracy, and justice.

You know, if you stopped to think of something so unique in this hemisphere of ours, and we've stayed separated from each other too long, all of us from the South Pole to the North Pole in this hemisphere—and no other place on Earth can say this—we can cross national lines from one of the many countries we have here in these two Americas and Central America and cross into another country, but we're still among Americans, because we're all Americans.

When I visited Latin America a few months ago, I told the leaders that I met of the several countries I visited of that vision of the Americas—building on our shared values; respecting our differences, but moving forward together to meet the challenges of the future as equal partners here in this hemisphere—what 600 million Americans from North Pole to South Pole can do, what a force for good we can be in the world if we realize and understand all that we have in common.

I think maybe some of you may have heard my speech before the Congress concerning Central America last week. I hope you agree with me—agree that the United States can no longer remain complacent about what's happening to our neighbors and to our friends to the south of us. We can no longer find excuses for doing nothing and then hope for the best, when the enemies of democracy—Cuba, the U.S.S.R., and Nicaragua—are actively working to subvert these nations. That's why I asked for bipartisan support in helping our Central American friends develop their economies and democratic institutions and protect themselves against aggression. What's going on in Central America relates directly to the security of the United States, and when it comes to that, we aren't Republicans and Democrats; we're Americans.

You know, it's long been recognized that few of our fellow citizens can claim any

better record, a more honorable record in defending their country as can the Americans of Mexican descent. San Antonio and south Texas have produced a number of true American heroes. One of them, who I understand still lives here, and I understand is here on the platform, is Cleto Rodriguez. [Applause] Thank you.

Maybe you all know the story better than my having to tell you, but it was during the Second World War, he was in the Army then, in the battle to recapture the Philippines. And his unit was halted by severe enemy fire. On his own initiative he left his platoon, accompanied by one man, a comrade, and moved forward to do battle. In 2½ hours of fierce fighting, these two brave men killed more than 82 of the enemy, completely disorganized the enemy defenses, and paved the way for the overwhelming defeat of the enemy stronghold.

Tragically, his comrade did not live through the engagement. But Mr. Rodriguez lives, a personification of courage and inspiration to us all, and the holder of the highest award that we can give, the Congressional Medal of Honor.

When I first got to Washington, I learned of another citizen of Texas, Sergeant Roy Benavidez who deserved our country's highest award and, in fact, had been cited for that award for his bravery and devotion to duty while in Vietnam. But he'd been kept waiting in limbo. No one had given him the award. Evidently, there were those

who felt that recognizing this hero, this gallant soldier, might stir up bad memories of the Southeast Asian conflict. Well, we're proud of those who defend this country. And if they place their lives on the line for us, we must make sure that they know that we're behind them and appreciate what they're doing. So, Sergeant Benavidez was given the Medal of Honor that he had earned.

Today, our country is free and independent because of the dedication of such men as Cleto Rodriguez, Roy Benavidez, and all the others of all races and religions and family backgrounds. What we have in America—perhaps San Antonio is a microcosm of this—is a noble, truly noble experiment. Our forefathers, all up and down these two continents, came to the New World to become part of a new way of life, to a place where they could better themselves, but still be free to preserve their heritage and values.

So, today, when you celebrate this holiday, all of your friends and neighbors join with you because we recognize this is part of our heritage as Americans as well. So, I thank you for letting me be with you today and *vaya con Dios* [May God be with you].

Note: The President spoke at 2:25 p.m. in the Plaza Nueva.

Following his appearance at the celebration, the President traveled to Phoenix, Ariz., where he remained overnight.

Nomination of Paul I. Enns To Be a Member of the Federal Farm Credit Board

May 5, 1983

The President today announced his intention to nominate Paul I. Enns to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1989. He would succeed Edgar C. Rutherford.

Mr. Enns owns and operates a farm in Bakersfield, Calif. He is director of Bak-

ersfield Production Credit Association and president of Rosedale-Rio Bravo Water Storage District. He serves as a member of the Federal Land Bank Association of Bakersfield and the Kern County Farm Bureau.

He is married, has seven children, and resides in Bakersfield, Calif. He was born August 10, 1917, in Reedley, Calif.

Executive Order 12418—Transfer of Functions Relating to Financial Responsibility of Vessels for Pollution Liability

May 5, 1983

By the authority vested in me as President by the Constitution and statutes of the United States of America, in order to transfer certain functions relating to the financial responsibility of vessels for water pollution and establish the authority of Federal agencies to respond to discharges or substantial threats of discharges of oil and hazardous substances, it is hereby ordered as follows:

Section 1. Executive Order No. 11735 of August 3, 1973, is amended as follows:

(a) The heading of Section 3 is amended to read "Reserved".

(b) Subsections 3(1) and 3(2) are redesignated subsections 2(6) and 2(7) respectively.

(c) Section 5(a) is amended to provide as follows:

"(a) The head of each Federal department and agency having responsibilities under the National Contingency Plan (40 C.F.R. Part 300), as now or hereafter amended, is designated and empowered to exercise, without the approval, ratification, or other action of the President, in accordance with that Plan, the authority under Section 311(c)(1) of the Act (33 U.S.C. 1321(c)(1)), relating to the removal of oil and hazardous substances that have been discharged, or for which there is a substantial threat of discharge, into or upon the navigable waters of the United States, adjoining shorelines, or into or upon the waters of the contiguous zone, or in connection with activities under the Outer Continental Shelf Lands Act or the Deepwater Port Act of 1974, or which may affect natural resources belonging to, appertaining to, or under the exclusive management authority of the United States (including resources under the Fishery Conservation and Management Act of 1976)."

Sec. 2. Section 1–2 of Executive Order No. 12123 of February 26, 1979, is amended to provide as follows:

"1–2. *Determination of Financial Responsibility and the Assessment and Compromise of Penalties.*

"The Secretary of the Department in which the Coast Guard is operating is hereby delegated the following authorities:

"1–201. The authority vested in the President by Section 305(a)(1) of the Act (92 Stat. 677, 43 U.S.C. 1815(a)(1)), relating to vessels;

1–202. The authority vested in the President by Section 305(b) of the Act (92 Stat. 678, 43 U.S.C. 1815(b)), relating to offshore facilities; and

1–203. The authority vested in the President by Section 312(a)(2) of the Act (92 Stat. 684, 43 U.S.C. 1822(a)(2)), relating to the assessment and compromise of penalties concerning vessels."

Sec. 3. Section 5(b) of Executive Order No. 12316 of August 14, 1981 is amended to provide as follows:

"(b) The functions vested in the President by Section 108(a) of the Act are delegated to the Secretary of the Department in which the Coast Guard is operating. The Secretary shall be responsible, in accordance with Section 109 of the Act, for the enforcement of civil penalties for violations of the regulations issued under Section 108(a) of the Act."

Sec. 4. The Secretary of the Department in which the Coast Guard is operating is hereby delegated the authority vested in the President by Sections 311(p)(1)–(2) of the Federal Water Pollution Control Act, as amended (86 Stat. 870, 33 U.S.C. 1321(p)(1)–(2)), as those sections are incorporated by reference in Section 204(c)(3) of the Trans-Alaska Pipeline Authorization Act of 1973 (Public Law 93–153, 87 Stat. 586, 587), relating to the demonstration of financial responsibility for vessels carrying oil loaded from the Trans-Alaska pipeline.

Sec. 5. The Director of the Office of Management and Budget shall make such determinations, issue such Orders, and take all steps necessary or appropriate to effectuate the transfer of records, property, personnel, and positions and unexpended balances of appropriations, available or to be made

available, which relate to the functions transferred, as provided in this Order, from the Federal Maritime Commission to the Secretary of the Department in which the Coast Guard is operating.

Sec. 6. Any rules, regulations, orders, directives, circulars, or other actions taken pursuant to the functions transferred from the Federal Maritime Commission to the Secretary of the Department in which the Coast Guard is operating by the delegation made in this Order shall remain in effect

until amended, modified, or revoked.

RONALD REAGAN

The White House,
May 5, 1983.

[Filed with the Office of the Federal Register, 4:30 p.m., May 6, 1983]

Note: The text of the Executive order was released by the Office of the Press Secretary on May 6.

Executive Order 12419—Implementation of the International Convention on Tonnage Measurement of Ships

May 5, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to implement the International Convention on Tonnage Measurement of Ships, it is hereby ordered as follows:

Section 1. The Secretary of the Department in which the Coast Guard is operating shall perform the obligations of the United States, as prescribed by the Articles of the Convention.

Sec. 2. The Secretary of the Department in which the Coast Guard is operating may authorize one or more United States corporations or associations to admeasure vessels

and issue International Tonnage Certificates, pursuant to the provisions of the Convention.

RONALD REAGAN

The White House,
May 5, 1983.

[Filed with the Office of the Federal Register, 4:31 p.m., May 6, 1983]

Note: The text of the Executive order was released by the Office of the Press Secretary on May 6.

Remarks to Members of the Sheriff's Posse in Sun City, Arizona

May 6, 1983

The President. Let me say, I really enjoyed watching that handcuff demonstration. And I'm more determined than ever to behave myself, especially in Sun City. *[Laughter]*

Someone told me about the Sun City Posse's theme song. And I'd like to read a few lines of it because it really does capture the attitude here. So, turn on those network cameras—because maybe a lot of these people already know it—it's for you I'm

saying this. *[Laughter]*

"When we're called, we want you to know that the Sun City Posse is rarin' to go.

"We may be grey; but we've still got the stuff to do the job when the going is rough."

Well, I know that the residents here are very grateful that you are out there on the streets keeping the crime rate low. And I've just had a demonstration from the sheriff on that also and some figures that show that

probably this is the lowest crime rate spot in the United States. I think that the people are grateful that you've made Sun City a safer and more reassuring place to live. And, of course, all this is a volunteer effort, which makes it even more admirable.

America's citizens are more involved today in the safety of their communities than they've been since the days when it was a necessity for us to look after each other. And you are following in that tradition. You are willing to avail yourself or give of yourselves to help others. And that truly is the volunteer spirit, which is another way of saying that's the American spirit.

We all know how frightening crime is to the old and the young. Yet older Americans also require protection from other aspects of modern life. Remember the terrifying bully called inflation, that ate away at pensions and savings—and that was a form of robbery also. Inflation was running in double digits in 1980. And right now it's running at—just about for the last 6 months less than one-half of 1 percent. And it showed its first actual decline, below zero level—quarter decline, just recently, in nearly 25 years.

Just a few short years ago, who would have thought—and certainly no one was saying that we could ever return to the low inflation of the 1950's and the '60's. Well, this morning, just before coming here, I got some figures that are going to be made public and released today, probably already have in the East, and that is the figures on the other part of this recession that is the one that bothers all of us the most—unemployment.

Now, I have to confess to you, there are things about the unemployment statistics that still baffle me, because they say there's no change in the unemployment percentage rate; but there are 250,000 more people working in April than were working the month before. And since December, there have been 650,000 added to the list of those employed.

The recent amendments to the Social Security Act are another way that we're protecting older Americans. This legislation guarantees social security will provide a secure and a stable base so that the retired

can live in dignity. It assures them that America will keep the promises made in troubled times a half a century ago. And it also protects those who are still working. Their basic human needs must be met with compassion as well as efficiency.

This administration is dedicated to the kinds of programs and policies that will allow the vast majority of senior citizens, older Americans, to continue to live independent lives. This is not just a matter of economic common sense, it's a matter of basic human dignity.

As the proclamation I'm about to sign states, "The future of older Americans should be as sweet as the memories of our youth." I do believe the future of our elderly holds as much promise as the achievement of our past. I had to make a couple of changes in the notes here. The young lady who typed up my notes for me thought she was being tactful and had me referring to them as "the elderly" or—well, as "them" instead of "us"—[laughter]—and I had to change a few "theirs" to "ours"—[laughter].

But this month we're recognizing that potential by celebrating Older Americans Month, and that's what the proclamation is. And now I'm going to make it official by signing the proclamation.

See, these Federal pens will only sign one word. [Laughter] It's signed and—

Ms. Barkdoll. Thank you, sir.

The President. One for you.

Ms. Barkdoll. Mr. President, thank you for honoring the Sheriff's Posse of Sun City so completely by coming out and signing the proclamation in our behalf here. At this time, I understand that when you were in Sun City last, which was about 1976, you weren't eligible to become one of our members. [Laughter]

The President. With perseverance, I made it.

Ms. Barkdoll. Well, I think you have made it in another way also. It's our pleasure, as the members of the Sheriff's Posse of Sun City, to have you as our honorary member. And to complete that partially, we have this hat. [Laughter] In addition, we have one of our intermediate yellow shirts with the emblems on. [Laughter]

The President. Thank you.

Ms. Barkdoll. Now, if you are going out on patrol, there are certain things that you must know and must abide by. This book of rules and regulations contains it all. [*Laughter*]

The President. Thank you very much.

Ms. Barkdoll. We also have one other thing. There's just one more thing. I'm sorry I couldn't get your ID card but I must get clearance from the White House and

from the FBI before I can give it to you. [*Laughter*]

The President. Thank you very much.

Well, now that I'm an honorary member of the patrol, I imagine that makes me duty officer for the day. So, you're dismissed. [*Laughter*] Let's be careful out there.

Thank you.

Note: The President spoke at 10:10 a.m. at the posse's headquarters. Maurine E. Barkdoll is commander of the posse.

Proclamation 5058—Older Americans Month, 1983

May 6, 1983

*By the President of the United States
of America*

A Proclamation

Throughout our history, the American people have held a special place in their hearts for our older citizens.

From this Nation's earliest days, when the wisdom and eloquence of our elder statesmen played such an important role in the creation of our Republic, to this era of renewed private sector initiative, where so many of our senior citizens toil in volunteer armies of community service across the land, older Americans remain a vital force in our national life.

We recognize that no single group in our society has done more to build America and to shape our national character than our nearly thirty-three million older citizens. We treasure their continuing involvement and the unique understanding they bring to us. Their wisdom, experience, insights, and accomplishments merit an invaluable place in our culture and economy.

Through hard work and creativity, our older Americans have made enormous contributions throughout their lives to preserve our way of life and our standard of living.

Now we must keep faith with them.

It is our responsibility to protect them by reducing inflation—that monster which eats at savings and pensions and destroys the independence and well-being of our older

Americans.

Of particular importance to our older citizens is the integrity of their pension funds. The recent rise in business confidence and the resulting surge in the net worth of investments have significantly increased the value of America's pension funds. These developments remind us that the most important step we can take for all Americans, but especially our senior citizens, is to follow economic policies that will create noninflationary growth.

It is also our responsibility to keep faith with our older citizens by guaranteeing a secure and stable social security system so they might live in dignity. The recent amendments to the Social Security Act assure the elderly that America will always uphold the promises made in troubled times a half-century ago.

The future of our older Americans should be as sweet as the memories of their youth. I believe the future for our older citizens holds as much promise as the achievements of their past. In this twenty-first annual observance of Older Americans Month, we celebrate that potential.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of May 1983 as Older Americans Month. I ask public officials at all levels, community agencies, educators, the clergy, the communications

media, and the American people to take this opportunity to honor older Americans and to consider how we may make it possible for them to enjoy their later years.

In Witness Whereof, I have hereunto set my hand this sixth day of May, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the

United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:29 p.m., May 10, 1983]

Remarks at the Annual Members Banquet of the National Rifle Association in Phoenix, Arizona May 6, 1983

President Gaffney, officers, Members of the Congress, honored guests—may I add with pride and pleasure—my fellow members of the National Rifle Association:

I'm delighted to be here in Phoenix in this great, good neighbor State of Arizona, and I'm delighted to be with all of you. It does my spirit good to be with people who never lose faith in America, who never stop believing in her future, and who never back down one inch from defending the constitutional freedoms that are every American's birthright.

And while I was thanking all of you for a warm welcome, I understand that in another room, unable to fit into this one, are about a thousand more people that are watching through closed-circuit television. And I welcome them and thank them for being present. And it's wonderful also to know that I'm on daytime TV and not the late, late show. [*Laughter*]

Before I get into my remarks, I would like to pause a moment and report to you on some very good news from another part of world that I've just received.

For the past 2 months, I and others in our administration have been closely involved in negotiations in the Middle East. And this morning I had the pleasure of speaking with Secretary Shultz, who is there in the Middle East, Defense Minister Moshe Arens of Israel, and then I talked to Prime Minister Begin. And they reported to me on the decision of the Israeli Cabinet to accept in principle the agreement worked out by Secretary Shultz for the withdrawal of Israeli forces from Lebanon.

This agreement is a step forward. It can lead to the restoration of Lebanon's sovereignty throughout its territory while also ensuring that southern Lebanon will not again become a base for hostile actions against Israel. Through diligent and patient diplomacy, we're proving once again that direct negotiations are the best path to peace between Israel and her neighbors. I'm sure that all those who seek peace and stability in Lebanon will welcome this decision by the Israeli Cabinet and will join us in seeking wider support.

At times the challenge of resolving the problems of the Middle East and the world may seem long and difficult, but the alternative is chaos, conflict, and more humane suffering—human suffering, I should say. The United States is committed to peaceful progress. Ours is the way of reason and negotiation, and we will never swerve from that path.

I want to salute Prime Minister Begin and the Israeli Cabinet today, just as I salute President Gemayel and the leadership of Lebanon. And may I add a word or two on behalf of Secretary George Shultz and our Ambassador Phil Habib, whose tireless efforts and dedication to reason have done so much to make this possible. Today we have crossed an important threshold on the path to peace.

And, now, back to business. And what an honor to be together on the 112th annual meeting of this great organization. As a matter of fact, I'm honored to belong to any organization that's been around longer than

I have. [Laughter]

Not too long ago, I had a very memorable visit from your officials. They walked into the Oval Office with some members of the "F" troop of the Texas army. Now, when I saw how those fellows were dressed, and what they were packing, I didn't know whether to stretch out my hand, or make a run for it through the Rose Garden. [Laughter] Well, it turned out they wanted to induct me into the Texas army and to give me a beautiful, hand-crafted flintlock rifle. And I thank you for taking such good care of it, because it's in your museum now.

Being a part of this group, you know that good organizations don't just happen. They take root in a body of shared beliefs. They grow strong from leadership with vision, initiative, and determination to reach great goals. And what you've accomplished speaks for itself—more than 2½ million members, and NRA's getting stronger every day.

May I just say that we have great respect for your fine, effective leaders in Washington—Harlan Carter, Warren Cassidy, and your Institute for Legislative Action. We saw proof of NRA's strength a few months ago. Some of you share a special blessing with me—you're Californians. And you shocked California last November when you mobilized to send help and to down Proposition 13 and defeat it. You pointed out that police would be so busy arresting handgun owners that they would be unable to protect the people against criminals.

It's a nasty truth, but those who seek to inflict harm are not fazed by gun control laws. I happen to know this from personal experience.

You know, I've always felt a special bond with the members of your group. You live by Lincoln's words, "Important principles may and must be inflexible." Your philosophy put its trust in people. So, you insist on individuals being held responsible for their actions. The NRA believes that America's laws were made to be obeyed and that our constitutional liberties are just as important today as 200 years ago.

And by the way, the Constitution does not say that government shall decree the right to keep and bear arms. The Constitution says "... the right of the people to keep and bear Arms, shall not be in-

fringed." [Applause] Thank you very much. I wish I'd saved that and said it last. [Laughter]

But I believe we share the same goal, a strong America, carrying the banner of freedom and secure from threats to our domestic tranquility, economic well-being, and national security.

No group does more to promote gun safety and respect for the laws of this land than the NRA, and I thank you. Still, we've both heard the charge that supporting gun-owners rights encourages a violent, shoot-em-up society. But just a minute. Don't they understand that most violent crimes are not committed by decent, law-abiding citizens? They're committed by career criminals. Guns don't make criminals. Hard-core criminals use guns. And locking them up, the hard-core criminals up, and throwing away the key is the best gun-control law we could ever have.

When I was Governor of California, we dealt with gun control—we added 5 to 15 years to the sentence of any criminal who, while committing a crime, had a gun in his possession, whether he used that gun or not. Now, I'm even more convinced than ever that this is the right approach if they're going to talk about something to do with guns and crime.

I've said many times that our administration didn't come to Washington to continue business as usual. Either we make fundamental reforms that change things for the better, or we aren't doing our job. We think it's time for our loved ones to walk the streets of America without being afraid.

So, we have declared war on organized crime and the career criminal element in America. More than a hundred prosecutors' offices are working with special teams around the country to throw the book at career criminals in court. And we're determined to cripple the drug-pushers who are poisoning the minds and bodies of our children. We want mandatory sentences. We want firm and speedy application of penalties. And we want to abolish parole for Federal offenses. But there's one thing we do not want: We will never disarm any American who seeks to protect his or her family from fear and harm.

You know, I have to interject something I hadn't planned to say here—but having mentioned being the Governor of California, during a time when they were talking gun control there in our State, I received a letter, a most unusual letter, from a convicted burglar serving time in San Quentin Prison. And he wrote and told me that he just thought from his vantage point, where he was, he'd like to tell me how happy it would make all of them if we would adopt gun control. And then he explained the inside of his profession. He said, "We can case a place, a home. We can watch and learn the habits of the people that live there when they're in and out and all of that. But," he said, "the one thing that always sticks in our mind that we can never answer is, is that one of those homes where the fellow has a gun in a drawer by the bed?" And he said that, "That's the one that scares us most of all. So," he said, "there'd be a lot of smiles in this place if you would adopt gun control."

We are making headway in our crack-down on crime. A recent U.S. News and World Report story said that "It may be no accident that the first dip in U.S. crime totals in 5 years coincides with a nationwide crackdown on career criminals." Well, serious reported crime dropped by 4 percent in 1982, after rising more than 21 percent since 1977 and 254 percent since 1962.

Longer prison sentences and tougher treatment are beginning to pay dividends. And make no mistake: This is happening because you, the people, are fed up with crime. You're the ones who are organizing neighborhood patrols, supporting your local police, insisting that justice be carried out—and every time you do that, you keep the spirit of democracy strong in America.

This morning I had the pleasure of meeting Arizona's Sun City Posse, a group which has had great success roping in the bad guys. They're not a posse in the old-time sense, just individuals who patrol their neighborhoods in their cars, wearing hard hats and carrying whistles and flashlights.

May 15th marks the beginning of National Police Week. I urge you and every citizen to let our men and women in blue across America know we stand with them this week and every week of the year. An-

other way NRA can help police is to support our efforts for a minimum mandatory term of 5 years imprisonment—and perhaps there'll be some disagreement in this, but I have to say it: for the use of armor-piercing bullets during a Federal crime of violence. These are designed to truly be a threat to law enforcement officers who, so many times, have to depend on bulletproof vests.

We can't solve the problems overnight. But since we established our Florida task force against drugs, drug-related arrests have risen sharply. Just last week, our agents trailed, and then landed behind a suspicious plane near LaBelle, Florida. Two drug smugglers jumped out of the plane and ran away. One of them swam across a canal and hid in the bushes. The alligators didn't get him, but our enforcement people did. They seized 625 pounds of cocaine valued at \$187½ million.

And let me interject something here. I'm not one who often feels or too often vents anger, but I want the American people to know that they're faced with the most sinister, despicable actions. We have strong evidence that high-level Cuban Government officials have been involved in smuggling drugs into the United States. Attorney General Smith and FBI Director Webster have assured me that they will use every resource they have to combat this menace. And as we crack down on criminals, we're trying to move forward on another front: to reform the firearms laws which needlessly interfere with the rights of legitimate gun owners like yourselves.

We're working closely with your leadership and congressional sponsors of firearms legislation, such as Senators McClure and Hatch and Congressman Volkmer. I look forward to signing a bill that truly protects the rights of law-abiding citizens, without diminishing the effectiveness of criminal law enforcement against the misuse of firearms.

Your leadership's support has been important to us. Just last year, I signed two amendments into law. One eliminated unnecessary recordkeeping requirements on 22-caliber rimfire ammunition. The other saved many custom gunsmiths from finan-

cial ruin.

And I want you to know that I'm in favor of the Civilian Marksmanship program. I support this idea because clear back to the Revolutionary War, one of the great talents of American soldiers has been their marksmanship. And it turned out they developed this shooting at targets and plinking as young boys. So, I'm asking Secretary Weinberger to study ways in which the marksmanship program can be improved.

I'm also happy to report that since I took office the sale of M-1 rifles to participants and instructors in high-power rifle marksmanship training programs has been increased significantly. And I have asked the Department of Defense to look at ways in which sales might be increased even further.

May I say a few words about conservation and the group I consider the foremost conservationists of our wildlife resources—America's sportsmen, hunters, and fishermen. As Teddy Roosevelt recognized, "The free, self-reliant, adventurous life, with its rugged . . . democracy; the wild surroundings, the grand beauty of the scenery, the chance to study the ways and habits of the woodland creatures—all these unite to give to the career of the . . . hunter its peculiar charm."

Well, unfortunately, there's been a kind of elitist attitude in Washington that vast natural resource areas must be locked up to save the planet from mankind. Well, we have a different philosophy, one based on respect for both man and nature. Our administration believes in the concept of stewardship, caring for the resources we have for the benefit of mankind.

Now, let me be clear about those words—"stewardship for the benefit of mankind." We favor economic development, but not within our national parks or within our wilderness areas. We have not and never will propose that. What we do say is when the last administration arbitrarily closed tens of millions of acres of Alaskan land, telling sports hunters to stay out, then, yes, we think that was wrong, and we're trying to correct it.

We're trying to correct something else, too. A 1980 General Accounting Office report warned of health and safety hazards

in our national parks. During the previous administration, the National Park Service budget for restoration and improvement had been cut. Now, I don't usually brag about spending money; but we have doubled it. We have the active support of NRA. We've also addressed one of America's most neglected and serious environmental problems, the destruction of our wetlands.

Our national parks, national wildlife refuges and coastal barriers, wetlands, national forests, and public lands are better managed today than they were just a few years ago. And I think that story merits more attention than it's received.

Another point which should be better understood: The backbone of our conservation efforts begins with American sportsmen. For over 40 years, hunters have been paying a special excise tax on sporting arms and ammunition through the Pittman-Robertson Act, nearly \$1.2 billion since 1939. State wildlife managers have used these funds to preserve and enhance valuable wildlife habitats. Such wild creatures as the whitetail deer, the ruffed grouse, wild turkey and pronghorn antelope, which were threatened with extinction in many areas have been brought back, in some cases, to great abundance.

This past year alone, American hunters have paid more than \$107 million toward these conservation efforts. The money will fund important studies of game and their habitat. It'll provide food and habitat projects for wildlife. And portions will go for hunter safety and education courses where our youngsters will be taught marksmanship, firearms safety, and some of the values and ethics of hunting and the outdoors. I deeply appreciate your contributions to preserving our national treasures for the benefit of our people and future generations.

This idea of stewardship, of preserving and caring for what we have, bringing our economy back to health so you, the people, can make us great again, that's a crucial part of keeping America free and making her secure. Now, I know that the road to recovery has been long and hard. Too many people are still out of work. But I believe with all my heart that we have turned the corner. We are on our way back. And like

that fighter, Rocky Balboa, America is getting stronger now.

You know, when I see inflation down, interest rates down, tax rates being cut, industrial production and productivity up, housing starts and auto sales up, and workers being called back, 250,000 more people put to work last month—now that our program is doing what we said it would, I have to ask of our critics, how come they're not calling it Reaganomics anymore? [*Laughter*]

Yes, some critics say nothing is right. They oppose budget savings, and they oppose tax cuts. Despite the calamity they created, they continue to resist reform. Their attitude reminds me of a comment a great American made about a similar situation. "Those who are frightened," he said, "by boldness and cowed by the necessity for making decisions complain that all we have done is unnecessary and subject to great risks. Now that these people are coming out of their storm cellars, they forget that there ever was a storm." Well, now those words were spoken by President Franklin Delano Roosevelt in 1934.

Well, I haven't forgotten the storm that was raging around every family in 1980. With all due respect, may I remind our critics: Those who saddled this nation with double-digit inflation, 21½-percent interest rates—the highest in more than a hundred years—the worst tax burden in our peacetime history, are the last people who should be giving sermons on fairness and compassion.

If inflation had continued as it was when they were in office, a family of four on a fixed income of \$20,000 would be more than \$1,500 poorer in purchasing power today. If their tax increases had stayed on the books, and our tax cuts hadn't been passed, a median-income family of four would be paying \$700 more in Federal income taxes this year. If this is the liberal idea of fairness and compassion, may the good Lord be with you if they ever have their way.

President John F. Kennedy said in 1963, "... the largest single barrier to full employment . . . and to a higher rate of economic growth is the . . . heavy drag of Federal income taxes on private purchasing power, initiative, and incentive." Those

wise words are just as true today. I will veto any attempt to tamper with the third year of our tax cut, or the indexing provision.

And the other day I had a very exciting experience when a Member of the Senate and a Member of the House walked into my office, each presented me a letter; each letter signed by enough men in the House—men and women in the House and enough Senators to guarantee the upholding of any vetoes that I might take with regard to the taxing matters.

Indexing is the best security middle-income families have against bracket creep—inflation pushing you into higher and higher tax brackets when you get cost-of-living pay raises and so forth. Those who would strip you of this protection are tax-grabbers, pure and simple.

The United States didn't run up a trillion-dollar debt because you aren't taxed enough. We've got that debt because government spends too much. We need spending restraint, not tax increases. I want to work with the Congress, but not at your expense and not at the risk of sabotaging this recovery that we worked so hard to achieve.

Nor must we gamble, ever again, with the security of this country by neglecting our defense readiness. The day I took office, our Armed Forces were in a shocking state of neglect. I was surprised even though I thought I'd known something about it. We had shortages of skilled manpower, faulty equipment, lack of spare parts, and insufficient fuel and ammunition for proper training. We had planes that couldn't fly for lack of spare parts, ships that couldn't leave port, and helicopters that couldn't stay aloft.

I believe it's immoral to ask the sons and daughters of America to protect this land with second-rate equipment and bargain-basement weapons. If they can put their lives on the line to protect our way of life, then, by golly, we can give them the weapons, the training, and the money they need to do the job right. And when it comes to keeping America safe and strong, when it comes to keeping America free, there should be no Republicans or Democrats, only patriotic Americans working together.

We've begun to pay our military personnel a decent wage. We've increased pilot flying time, extended basic training inventories. The level and quality of recruits are up sharply with the highest levels they've ever been. By providing adequate compensation for our soldiers, by giving them the tools they need to do their jobs, we're restoring dignity, honor, and pride to the uniform of the United States military, and we must not—we dare not—sacrifice that.

The people who disagree with our side rebuilding its military security don't seem to understand: Our side is the only side where people are permitted to disagree—and that should make them nervous. It isn't America that attacks and occupies other countries; we conduct no worldwide campaign of subversion and terrorism; we don't have to build walls to keep our people in, or use armies of secret police and gulag prison camps to keep them quiet. We're a free people, a democratic people; we believe in God and we love peace. But let us remember what George Washington warned in 1790—that to be prepared for war is one of the best means of preserving the peace.

There's nothing I want more than a verifiable agreement with the Soviet Union to reduce the levels of strategic weapons. In the long run, that's the best way to lower the growth in defense spending. But the Soviets will only bargain in good faith if they understand we're determined to defend freedom. And I'm determined that they will understand that.

Now, 9 days ago, I addressed the Congress on the subject of Central America, where the United States has fundamental and far-reaching interests. We must never forget that two-thirds of all our foreign trade and petroleum pass through the seaports of that region. Nor can we forget that a country like El Salvador is approximately 10 miles closer to Phoenix, Arizona, than Phoenix is to Washington, D.C.

The people of El Salvador are not perfect. They're made mistakes as we have made mistakes. But they're trying, with great bravery and against tremendous odds, to build the dream of a society like ours. They understand that government must depend and rest on the consent of the gov-

erned; that only when people are free to worship, create, and build, only when they are given a personal stake in deciding their destiny, and benefiting from their own risks—only then will their society become dynamic, prosperous, progressive, and free.

But El Salvador is under attack. Guerrillas with contempt for democracy and armed to the teeth by Nicaragua, Cuba, and the Soviets are determined to shoot their way into power. We have asked the Congress for a modest package of assistance for the region, with three times as much economic aid as military aid.

But military aid is essential, because the guerrillas are deliberately destroying El Salvador's economy—blowing up bridges, railroads, water facilities, telephone, and electrical systems. These are not the actions of a people who love the common man and who seek to reform their system. They're the actions of thugs who trample the common man in their quest for total power.

America faces a choice: Will we give El Salvador her chance to walk beside us in the sunlight of democracy, or will we turn our backs on a friend, letting her slide into a dark night of tyranny, rationalizing our inaction with detached lectures on morality.

Running away from this clear-cut responsibility would reward aggression and bring dishonor on the good name of the United States. It would swell the tide of political and economic instability in Central America, creating a new army of refugees, and bringing danger closer and closer to home.

I appeal to you today: Tell your representatives they cannot remain indifferent to another Communist takeover on our doorstep.

Standing up for America also means standing up for the God who has so blessed this land. If we could just keep remembering that Moses brought down from the mountain 10 Commandments, not 10 suggestions—[laughter]—and if those of us who live for the Lord could remember that He wants us to love our Lord and our neighbor, then there's no limit to the problems we could solve or the mountains we could climb together as a mighty force for good.

The United States remains the last, best hope for a mankind plagued by tyranny and

deprivation. America is no stronger than its people—and that means you and me. Well, I believe in you, and I believe that if we work together, then one day we will say, “We fought the good fight. We finished the race. We kept the faith.” And to our children and our children’s children we can say, “We did all that could be done in the brief time that was given us here on

Earth.”

Thank you all, and God bless you.

Note: The President spoke at 1:02 p.m. at the Phoenix Civic Plaza.

Following his appearance at the luncheon, the President traveled to California and Rancho del Cielo, his ranch near Santa Barbara.

Radio Address to the Nation on the Observance of Mother’s Day May 7, 1983

My fellow Americans:

This is a very special weekend in American life, a time specially set aside to honor our mothers and the mothers of our children. As we do, we acknowledge their role as the heart of our families and reinforce our families as the cornerstone of our society.

In our families, and often from our mothers, we first learn about values and caring and the difference between right and wrong. Those of us blessed with loving families draw our confidence from them and the strength we need to face the world. We also first learn at home, and, again, often from our mothers, about the God who will guide us through life.

The mothers we honor this weekend, young or not so young, partners or alone, well-to-do or sometimes agonizingly poor, are as diverse as our varied population. But they share a commitment to future generations and a yearning to improve the world their children will inherit. They shape the America we know today and are now molding the character of our country tomorrow.

Since men seem to have written most of our history books, the role of women and mothers in our communities and families has not always been given its due. But the truth is the wild west could never have been tamed, the vast prairies never plowed, nor God and learning brought to the corners of our continent without the strength, bravery, and influence of our grandmothers, great-grandmothers, and the women who came before them.

Living through blizzards, plagues, prairie fires, and floods, these women made homes and started families, organized churches, and built schools. They served as teachers, field hands, physicians, and the center of the family.

I was reading a book recently about Kansas frontier women and came across a passage that seemed to sum it all up. Esther Clark wrote, “Mother has always been the gamest one of us. I can remember her hanging onto the reins of a runaway mule team, her black hair tumbling out of its pins and over her shoulders, her face set and white while one small girl clung with chattering teeth to the sides of the rocking wagon and a baby sister bounced about on the floor in paralyzed wonder.

“I remember, too, the things the men said about Leny’s nerve. But I think as much courage as it took to hang onto the reins that day, it took more to live 24 hours at a time, month in and out on the lonely and lovely prairie without giving up to the loneliness.”

Of course, Leny’s nerve and strength are echoed in modern-day women and mothers who face different but equally trying tests of their courage. There are mothers like Rachel Rossow of Connecticut, for example, and Dorothy DeBolt of California, who with their husbands have adopted between them 25 handicapped boys and girls in addition to their own children.

I had a chance to visit with Rachel and her family last month, and I can tell you I’ve never seen a happier group. I know the

strains on them must be great, emotionally and financially, but not as great as the love they feel for each other.

Of course, many millions of American mothers are quiet, everyday heroes struggling to stretch budgets and too often maintaining their families alone. Many also contribute to society through full-time careers, and others are forced to work just to make ends meet. They're raising children in a fast-paced world where basic values are constantly questioned. Their monumental challenge is to bring their children into adulthood, healthy and whole, nurturing their physical and emotional growth while avoiding the pitfalls of drug abuse and crime.

The lives of American mothers today are far removed from the prairies, and yet they have a nobility about them, too. Government should help, not hinder parents in this task. And that's why our policies have been designed to restore the family to its rightful place in our society, combat the inflation that stole from family budgets, expand opportunity through a renewed economy and hasten the return of values and principles that made America both great and good.

On the economic front, I think we've made some solid progress in bringing relief to your financially strapped families. When we took office, inflation was at 12.4 percent, but it's only been one-half of 1 percent for the last 6 months. You can see a difference on the grocery shelves. A loaf of bread, for example, costs only 2 cents more now than it did in 1980. If we'd continued with the old rate of inflation, by now it would have cost 11 cents more. Milk is about 16 cents cheaper than it would have been, hamburger about 18 cents cheaper per pound, and the savings on a dozen eggs is as much as 50 cents. I don't have to tell the people who do the shopping how these

savings add up. But for those of you who don't, we estimate that a family of four on a fixed income of \$20,000 has \$1,700 more in purchasing power this year than they would have had under the old inflation rate.

The progress we're making with the economy, just like the national renewal we're seeing spring up all around us, is the product of our reliance again on good old-fashioned common sense, renewed belief in ourselves, and faith in God.

Now and then I find guidance and direction in the worn brown Bible I used to take the oath of office. It's been the Reagan family Bible and, like many of yours, has its flyleaf filled with important events, its margins are scrawled with insights and passages underlined for emphasis. My mother, Nelle, made all those marks in that book. She used it to instruct her two young sons, and I look to it still.

A passage in Proverbs describes the ideal woman, saying: "Strength and dignity are her clothing, and she smiles at the future. She opens her mouth in wisdom, and the teaching of kindness is on her tongue. Give her the product of her hands, and let her works praise her in the gates."

Well, that passage calls for us to recognize the enormous strengths and contributions of women, wives, and mothers and indicates to me that society always needs a little reminding. Well, let us use this weekend as a symbol that we will always remember, reward, and recognize them and use their examples of love and courage as inspiration to be better than we are.

Till next week, thanks for listening, and God bless you.

Note: The President spoke at 9:06 a.m. from Rancho del Cielo, his ranch near Santa Barbara, Calif.

Statement on Elections in Turkey May 7, 1983

When the military took power in Turkey under conditions of near anarchy in 1980,

they committed themselves to restoring democratic government as soon as possible.

The United States welcomed the timetable they set for carrying out that promise, and we have expressed our support for each step along the way. I warmly welcome President Evren's recent announcement that parliamentary elections will be held on

November 6, thus completing the process of restoring democracy. I congratulate the Turkish people for this remarkable achievement and assure them of the continued support and friendship of the United States Government and people.

Nomination of Jane E. M. Holt To Be a Member of the Interstate Commerce Commission

May 7, 1983

The President today announced his intention to nominate Jane E. M. Holt to be a member of the Interstate Commerce Commission for a term expiring December 31, 1985. She would succeed Reginald E. Giliham.

Mrs. Holt is a self-employed transportation and financial consultant. Previously she served as a transportation financial consultant with the Consulting Center in Alexandria, Va., in 1977-1980; consultant to the

vice president of financial planning for the United States Railway Association in 1974-1977; and financial analyst in the Office of the Assistant Secretary for Policy, Department of Transportation, in 1971-1974.

She graduated from Harvard University (B.A., 1966) and Boston University Graduate School of Business Administration (M.B.A., 1970). She is married, has three children, and resides in Washington, D.C. She was born January 23, 1945, in Canton, Ohio.

Nomination of Donald I. Hovde To Be a Member of the Federal Home Loan Bank Board

May 9, 1983

The President today announced his intention to nominate Donald I. Hovde to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1985. He would succeed Richard T. Pratt.

Mr. Hovde is presently serving as Under Secretary of Housing and Urban Development. Previously he was national senior vice president to Partners Real Estate, Inc.; president and owner of Hovde Realty, Inc.;

and president of 122 Building Corp. He served as president of the National Association of Realtors in 1979 and was president of the Greater Madison Chamber of Commerce in 1969.

He graduated from the University of Wisconsin at Madison (B.B.A., 1953). He is married, has five children, and resides in McLean, Va. He was born March 6, 1931, in Madison, Wis.

Remarks at a Fundraising Dinner Honoring Former Representative John M. Ashbrook in Ashland, Ohio

May 9, 1983

Thank you, Fred. Dr. Schultz, Jean Ashbrook, distinguished guests:

We are here this evening to honor a man who, though he died at a tragically young age, garnered for himself a remarkable record of public service as a State assemblyman, a distinguished Congressman, a candidate for the United States Senate, and, for a brief time, a candidate for the Presidency of the United States.

There is sadness and surprise in recounting these titles of office either held or sought by John Ashbrook. Sadness, of course, because a man who made such an enormous contribution to American political life is now gone. Surprise, because all of us who followed closely the career of John Ashbrook remember him for his youthful and vigorous advocacy of traditional American principles. When he entered the State legislature, he was 28, the second youngest member at that time of that body. When he went to Congress, he was 32, the second youngest member of that body. And when he died, a candidate for the United States Senate, he was only 53.

It was never quite possible to say of John Ashbrook that he was typical—even though he was very much one of a breed of midwestern Congressmen, those who over the course of several decades fought a long, hard, and frequently losing battle against the encroachments and intrusions of big government. As early as 1960, John Ashbrook warned against “unbridled national power with a resultant loss of individual freedom and local autonomy.” He warned against “the state planners, the economy wreckers, the spenders and the destroyers of local government.” He was a founder and chairman of distinguished conservative organizations including the American Conservative Union. In standing up for these views, he was remarkably consistent—his lifetime voting record garnered him a 97 out of a possible 100 percent on the conservative voting scale.

Yes, John Ashbrook was one of those hon-

ored few, those officeholders in the fifties and sixties who warned against the current trends and fashions, who predicted that someday the massive spending schemes and higher and higher taxes of the Federal Government would stall and depress the American economy, immobilize State and local government, and endanger personal freedom.

But if John Ashbrook was a rock-solid conservative, he was also a conservative who broke the mold. He hardly fit the image of the stuffy or parochial reactionary some tried to attach to him. A graduate of Harvard, an adept and effective public speaker, the concise eloquence he brought to his views made the liberal establishment take notice. And, most important, he was willing to take the kind of chances that few older and more traditional members of his party would ever have dared. He even challenged an incumbent President of his own party when he felt that President needed to be reminded of his original mandate.

In John Ashbrook's youth, his erudition and his willingness to challenge long-established political precedents, we saw a new kind of Republican, a new kind of conservative. It was in this sense that he was ahead of his time, a forerunner of many conservative officeholders to come. And the voters of Ohio, even those who didn't agree with him on every point, saw in him a man to be trusted, a leader who had clearly charted out the future and knew the direction he wanted it to go.

Even those who view the world from a different political perspective can honor this man's utter devotion to principle and his understanding of the essence of political leadership. John Ashbrook knew that the first duty of public life is to responsibly speak the truth—even if the moment's fashion is against that truth—for it's through such consistency and coherence, such constant attention to principle, that the public trust is eventually won and a political consensus mobilized.

In many ways, John Ashbrook symbolized the beginnings of a new conservative movement in America. As he grew in prominence, so did the movement he helped to lead. In the fifties and sixties it was labeled a lost cause. In the seventies it was thought of as another pressure group. And in the eighties many could argue it was the dominant force in American political and intellectual life.

We mourn John Ashbrook's loss to this movement and to his country. But as his longtime friend and fellow activist in that movement, William Rusher, reminded us: Surely our highest consolation is knowing that John Ashbrook did live to see his political principles victorious and his public career vindicated.

Yet we do his memory and ourselves a disservice if we too exclusively identify John Ashbrook's political principles with one man, one party, or one political movement. Through all of his writings and speeches, it was John Ashbrook's insistent claim that opposition to the cult of state power—the cult that has so badly infected our century—was deeply and irrevocably part of America's past, and that the principle of limited government was America's greatest contribution to constitutional and political history.

He spoke movingly of America's traditional values and how too often in recent years we as a nation had drifted from those values. At the beginning of his second term in 1963, John was one of the senior members of a special five-man committee investigating the Ku Klux Klan and its involvement in the murder of civil rights workers in the South.

"The minute I walk into those hearings," he said, "it is like entering another world where all of the values which are meaningful to me, law and order, respect for your fellow human being, justice go out the window—where traditional values are scoffed at."

It was a longstanding American consensus based on these traditional values that John Ashbrook struggled to reinstitute in this country, a struggle we continue today.

And in searching for the solution of our social or economic problems today, we can speak of a matrix, a formula that unlocks the solutions to many different problems.

And I believe it is in the political wisdom and the social consensus that began this country, the consensus that still abides here in the heartland of America and was so evident in the career of a John Ashbrook, it is this consensus that holds the key to our modern dilemmas.

From their own harsh experience with intrusive, overbearing government, the Founding Fathers made a great breakthrough in political understanding: They understood that it is the excesses of government, the will to power of one man over another, that has been a principle source of injustice and human suffering through the ages. The Founding Fathers understood that only by making government the servant, not the master, only by positing sovereignty in the people and not the state can we hope to protect freedom and see the political commonwealth prosper.

In 1776 the source of government excess was the crown's abuse of power and its attempt to suffocate the colonists with its overbearing demands. In our own day, the danger of too much state power has taken a subtler but no less dangerous form. Out of the best of intentions, government has intervened in areas where it is neither competent nor needed nor wanted by the mass of Americans.

There is no better example of the wisdom of limited government and the price paid by societies that forgot that wisdom than the economic problems we've encountered in recent years. The notion that government planners could fine-tune the economy from Washington led to a vicious cycle of boom and bust, periods of high inflation followed by periods of high unemployment.

Ohio has suffered from the practice of Washington-based meddling more than almost any other State. Today, because of this vicious cycle and following decades of growth in government, there are 13 percent unemployed in your State. And in States [cities] like Canton, the rate is as high as 17.5 and in Youngstown, 20.1 percent.

These are not just statistics. They represent human hardship and suffering, they stand for unhappy families with lifetime savings eaten up and dreams for the future destroyed.

Now, all of us hope, of course, that the unemployment situation will ease much more quickly than current predictions suggest. But if past recessions were the rule, unemployment will remain a lagging indicator in an otherwise brightening economy so the unemployed will be among the last to feel the benefits of the recovery. But those who have for so long preached the benefits of bigger government should be asked to acknowledge that the economic conditions that led to recession and unemployment were created by years of growth in government and the climate of government expansion and interference.

When this administration took office, Federal spending had tripled in the preceding 10 years and taxes had doubled in the preceding 5 years. The national debt was hitting a trillion dollars—social spending had quadrupled in one decade. The budget for the Department of Health and Human Services became the third largest entity in the world, just behind the national budgets of the United States and the Soviet Union. One social program, food stamps, had grown from a \$70 million experimental program in 1965 to an \$11¼ billion program in 1981—an incredible 16,000-percent increase.

The government was draining off America's productivity and placing an enormous drag on the economy. Higher and higher taxes and inflation were discouraging work, risk, and the willingness of business and labor to invest time or money in economic expansion.

Now this tremendous slowdown in the economy was more than a statistical event. It hurt those who could least afford to be hurt. Particularly hard hit were those traditionally lower income groups that make up such a high percentage of the unemployed. Minimum wage laws—with no allocation made or allowance made for young people doing marginal work—kept many young people from gaining the entry-level positions that mean invaluable job training and eventually full-time careers.

Or take the slowdown in economic progress made by those with low incomes. As pointed out in a recent article by Charles Murray in the *Public Interest* magazine, the great expansion of government programs

that took place under the aegis of the Great Society coincided with an end to economic progress for America's poor people. From 1949 until just before the Great Society got underway in 1964, the percentage of American families in poverty fell dramatically—from nearly 33 percent to only 18 percent. But by 1980, with the full impact of the Great Society's programs being felt, the trend had reversed itself, and there was an even higher proportion of people living in poverty than in 1969.

The simple truth is that low inflation and economic expansion in the years prior to the Great Society meant enormous social and economic progress for the poor of America. But after the gigantic increases in government spending and taxation, that economic progress slowed dramatically. If we had maintained the economic progress made from 1950 through 1965, black family income in 1980 would have been nearly \$3,000 higher than it was.

The great social spending schemes failed for the vast majority of poor Americans. They remain trapped in economic conditions no better than those of a decade-and-a-half ago. The poverty programs failed precisely because they grew without regard for the burden they and other social programs were imposing on the overall economy. As social spending multiplied, economic growth slowed, and the economy became less and less able to generate the jobs and incomes needed to lift the poor out of poverty, not to mention the fact that inflation stimulated by government growth hit the poor the hardest, especially by devaluating the payments of those on welfare.

The growth of government programs did little for the poor; they were sometimes even counterproductive. From 1965 to '74, for example, the Federal Urban Renewal program spent more than \$7 billion and ended a total failure, destroying more housing units than it replaced. The Federal regulations and grants of the Model Cities program in the late 1960's spent more than \$2½ billion and didn't halt urban decay. But all of these programs—while they did fund jobs for an army of Federal bureaucrats and consultants—put a huge burden on the productive sector of the American

society. It was the working people who had to pay the taxes, carry the burden of inflation, and get thrown out of work when the inevitable economic slowdown occurred.

Today, because of our attempts to restrict and cut back on government expansion and to retarget aid toward those most in need, and away from those who can manage without Federal help, the working people of America are directly benefiting. We have brought inflation down from duggle—douba—I can't get that out—double-digit—[laughter]—I stumble over inflation all the time. [Laughter] But it was double-digit levels. And now for the last 6 months, it has been less than one-half of 1 percent. I have less trouble saying that. [Laughter]

For a family on a fixed income of \$20,000, the improvement in inflation has meant about \$1,700 more in purchasing power. And because of our tax program, a median-income family of four in 1983 will pay \$700 less in Federal income taxes. And if they try to do anything about that third tax cut, I sleep with a veto pen under my pillow.

But beyond all this, however, cutting back on government intrusions into the marketplace and its drain on the economy has meant the beginning of a solid recovery.

Auto production is up 40 percent in the first quarter over the same time a year ago. And in March, new home sales were up over 50 percent, building permits were up more than 70 percent, and building starts were up by 75 percent over the same time last year. Consumer confidence has had its best monthly gain in 9 years, all the way to 77 percent as measured by the Conference Board. We now have the lowest prime interest rate in 4½ years; inflation is better than the double-digit figures of a few years ago; and the stock market is healthy again.

And this need not be a temporary recovery. If we can continue to cut the growth in spending, if we can continue to hold the line on taxes, consumer and business confidence will remain high, and the recovery will be sustained over a long period of time. Once again, America's working people will know that hard work, saving, and sound investment will pay off for them and their children in the future. And this will mean

far more to the lower income groups that have been so badly hit by unemployment and inflation than all the government programs of the past. It'll mean economic growth and expanding opportunity over a long period of time. Instead of having government trying to redistribute a shrinking economic pie, that pie will be expanding, and everyone will have a chance at a larger share.

But if we're to continue this progress, we must resist that well-intentioned statism of those who urge even more spending and higher taxes. The British political philosopher, Michael Oakeshott, has warned us about the dangers of government that tries to do too much: "To some people, government appears as a vast reservoir of power which inspires them to dream of what use might be made of it. They have favorite projects of various dimensions which they sincerely believe are for the benefit of mankind. They are thus disposed to recognize government—an instrument of passion, the art of politics to enflame and direct desire."

Well, here, I would submit, is the central political error of our time. Instead of seeing the people and their free institutions as the principal means of social and economic progress, our political opposition has looked at government and bureaucracy as the primary vehicle of social change. And this marked the onslaught of special interest politics, the notion that every noble social goal is the business of government, that every pressure group has its claim on the tax dollars of working people, that national legislation means brokering and bartering with the largest share going to the most powerful of the noisiest political constituency.

This is the antithesis of fair government, of democratic rule, and orderly government. As Mr. Oakeshott has observed, it is the conjunction of utopian dreaming and government power that degenerates into tyranny. Even beyond the raids on the national treasury, the huge deficits, the high inflation and taxation—the very abuses that brought down so many empires and nations in the past—this trend toward well-intentioned but overwhelming government also diminishes personal freedom and the auton-

omy of those branches of government closest to the people.

Even two centuries ago, the Founding Fathers understood this. They anticipated the danger. John Adams wrote that government tends to run every contingency into an excuse for enhancing power in government. And Thomas Jefferson put it more directly when he predicted happiness for America but only "if we can prevent the government from wasting the labors of the people, under the pretense of taking care of them. . . ."

Now, some, of course, mistake this to mean the negation of government. Far to the contrary, it is by clearly restricting the duties of government that we make government efficient and responsive. By preventing government from overextending itself we stop it from disturbing that intricate but orderly pattern of private transactions among various institutions and individuals who have different social and economic goals. In short, like the Founding Fathers, we recognize the people as sovereign and the source of our social progress. We recognize government's role in that progress, but only under sharply defined and limited conditions. We remain aware of government's urge to seek more power, to disturb the social ecology and disrupt the bonds of co-operation and interchange among private individuals and institutions through unnecessary intrusion or expansion.

When new management takes over a failing business or a coach tries to revitalize a sports team, both will frequently find that the key to success is cutting out the extraneous or extravagant, while returning to basics and emphasizing those resources that have been traditionally successful. Well, this is precisely what we're trying to do to the bloated Federal Government today: remove it from interfering in areas where it doesn't belong, but at the same time strengthen its ability to perform its constitutional and legitimate functions.

In the area of public order and law enforcement, for example, we're reversing a dangerous trend of the last decade. While crime was steadily increasing, the Federal commitment in terms of personnel was steadily shrinking. This administration has reversed this trend by adding more than

1,000 new investigators and prosecutors to law enforcement rolls, and we have redirected our resources for a frontal assault on drugs and organized crime. Or take our federalism proposals: We want to cut back on Federal intrusions to local and State governments, and so those local and State governments can be more responsive to the people.

Or take the national security area, where we're trying to make up for years of neglect when spending declined from 40 percent of the budget in 1970 to less than 24 percent in 1980. And let me take a moment here for an important aside.

During the past 10 years, the Soviet Union has improved, developed, and deployed more than a dozen large, new ICBM systems while the United States has been thinking about developing one, much smaller intercontinental ballistic missile. The debate over a new ICBM and our entire strategic triad has cost the country millions of man-hours and billions of dollars, and it still hasn't been decided.

I wanted to get some answers, once and for all. So, I created a blue-ribbon, bipartisan commission this past January to study the strategic forces of the United States. The commission conferred with over 200 experts and consulted closely with the Congress and produced a thorough report that made three basic recommendations: first, that we continue with our strategic modernization program; second, that we build and deploy the MX missile and develop a simple, single-warhead missile; and, third, that we continue ambitious arms control negotiations that promote nuclear arms stability and reduction of nuclear arms.

Eighteen senior officials from the three previous administrations, including six former Secretaries of State and Defense, agree that all three parts of this commission's recommendations are essential to the future security of our country. The National Security Council agrees. The Joint Chiefs of Staff agree. And I agree.

But I more than agree. I believe with every fiber of my being that these steps are essential to ensuring arms control progress and our nation's future safety and security. Only when the Soviets are convinced that

we mean business will arms control agreements become a reality. We're not building missiles to fight a war; we're building missiles to preserve the peace.

And that's why the Congress must act soon on these recommendations, especially the MX. If the Congress rejects these proposals it will have dealt a blow to our national security that no foreign power would ever have been able to accomplish. I call on the Congress to support this bipartisan program, a program that combines vigorous arms control with the modernization of our strategic forces.

Now, discussion of Justice Department personnel or economic statistics may seem a long way from the insights of Michael Oakeshott or the lofty thoughts of the Founding Fathers. But I would argue that John Ashbrook would never have found it so. For him, conservatism was not so much a political pressure group as it was a modern reflection of the insights and wisdom that began the American Republic.

His career as a public servant is testimony to this kind of enlightened conservatism. John Ashbrook believed in study and thought. He was close to Ashland College. He did all in his power to encourage the growth of conservative think tanks and policy groups.

But he was a practical man as well. In the face of redistricting and an unfavorable political climate for conservative candidates, he won 11 consecutive terms in the House of Representatives. He believed in political

action—he was among those select few who began the draft Goldwater movement in 1963 and stunned the political world by succeeding a year later.

I first came to John's district at a dinner here with Bill Buckley the spring after that election. He was not discouraged. John looked at the Goldwater campaign as a first step toward the eventual triumph of his political principles. Those principles are in the ascendancy today in large part due to his efforts.

We owe it to him, to ourselves, to our children to stand by those principles, to persevere until—as it was said that night in 1964 in San Francisco by the Presidential candidate John Ashbrook had worked so hard to nominate—"until our cause has won the day, inspired the world, and shown the way to a tomorrow worthy of all our yesterdays."

Thank you all, and God bless you.

Note: The President spoke at 8:35 p.m. in the dining room at the John C. Myers Convocation Center at Ashland College. He was introduced by Fred Lennon, cochairman of the John M. Ashbrook Memorial program. Dr. Joseph Schultz, president of Ashland College, and Mrs. John M. Ashbrook also spoke.

Prior to his remarks, the President attended receptions for major donors of the memorial program and Ohio Republican leaders at the Convocation Center.

Following his appearance at the dinner, the President returned to Washington, D.C.

Responses to Questions Submitted by Bunte Magazine April 25, 1983

German Heritage

Q. In October it will be exactly 300 years that the first Germans immigrated to America. Do you believe that there is a specific German element in the tradition of American history? What famous German—past or present—in the arts, sports, or military, do you admire most?

The President. More than 60 million Americans are of German ancestry, and

that heritage is a great influence on our national character. The strong hands and good hearts of their industrious German forefathers helped build a strong and good America. Germany gave us heroes for our Revolutionary War such as Johann de Kalb and Baron von Steuben; political leaders, scientists, and engineers—including Einstein and Roebing, whose Brooklyn Bridge celebrates its 100th birthday this year; art-

ists, composers, theologians, business entrepreneurs, and as you suggest, sports figures like Babe Ruth. It's almost impossible to choose one whom I admire most. German names fill our history books, dot our maps, and line the flyleaves of our family Bibles.

The Tricentennial of German immigration to the United States is being celebrated across the United States—in St. Louis, Milwaukee, New York, and Philadelphia to name just a few places. I'm looking forward to welcoming President Carstens of the Federal Republic of Germany for a state visit this October, when we'll celebrate the Tricentennial together.

Soviet Pipeline

Q. With substantial financial and political assistance from the Federal Republic the West European allies are going ahead with the construction of the gas pipeline, which will supply them with energy from Siberia in a few years. Has the European leadership been successful in convincing Washington that the pipeline will not be used as a Soviet instrument of blackmail, or does this continue to be a point of discussion between Bonn and Washington? Can the U.S. offer the Europeans an alternative energy supply system?

The President. It is important that Western nations not become overly dependent on any single supplier, particularly the Soviet Union, for such critical resources. Our view is that it would be prudent for West European countries to emphasize development of their own natural gas reserves and evaluate any new supply arrangements in view of the alternatives and security implications. The issue of energy dependence has been under careful review by the International Energy Administration, which will be reporting this month. It has conducted a very constructive study on which we all have cooperated closely. In addition to indigenous resources, I might also note that we are taking steps domestically to improve our competitiveness in coal exports to Europe.

U.S. Troops in Germany

Q. Under what extreme circumstances would you consider withdrawing U.S. troops from German soil?

The President. The cooperative security arrangements of the NATO alliance have maintained the peace for almost 40 years. As President of the United States, my most important task is to continue to preserve our peace and freedom. As long as we face a determined adversary in Europe, the presence of U.S. forces in the Federal Republic and in Berlin will be essential. I would like to emphasize the cooperative nature of our arrangements. Unlike the Warsaw Pact, NATO security relations are based on common agreement. U.S. forces will remain in the Federal Republic as long as they are needed and welcomed by the Federal Republic.

Q. The only country from which the Soviets withdrew their forces after World War II was Austria. They did this for the price of Austrian neutrality. Germany's first Chancellor, Konrad Adenauer, had decided to enter into an alliance with the United States. In hindsight, do you think it would have been better for Germany if Adenauer would have done what Austria did?

The President. There are essential differences between Austria and the Federal Republic in size, strength, and geographic location. Both countries must meet their respective needs. Their respective national security policies were and are supported by the vast majority of their peoples. We shouldn't overlook the fact that the strong Western security alliance, which includes West Germany, helps to preserve the security and well-being of the European neutrals.

U.S. Role in World Affairs

Q. The West Germany newspaper publisher Axel Springer has repeatedly stressed that the role the U.S. plays in world politics is that of a peacekeeper. It would be tragic, Mr. Springer warned, to forget about the people who are forced to live under a Soviet dictatorship, or who have been imprisoned for their political beliefs, in Bautzen, in a psychiatric ward, or somewhere in the Gulag. How can the United States help bring about an end to this injustice?

The President. I completely agree that the United States most important role in the world is based on our commitment to

peace and individual freedom. We firmly believe that world peace and stability can be achieved only when governments are responsive to the aspirations of their peoples, including recognition of their human rights as outlined, for example, in the Charter of the United Nations and in the Helsinki Final Act. The United States, as well as other Western countries, must continually keep world public attention focused on Soviet human rights policies. That is why we and our allies continue to insist on a strong human rights provision in the final document at the Madrid CSCE conference. In addition, our governments can and do work quietly on individual cases, securing better treatment for certain citizens from the Soviet and other governments.

Goals for Peace

Q. In an interview with Moscow's *Liternaja Gazeta* Mr. Egon Bahr, the national security adviser to Jochen Vogel, claimed that "Leonid Brezhnev had been filled with a burning desire to secure world peace." Do you share this assessment of the former Soviet leader's quest for peace?

The President. With all the terrible dangers which threaten today's world, it is hard to imagine how any national leader would not be committed to the search for peace. We hear much talk about such a commitment, but we need deeds, not words. Sad experience shows that Soviet leaders too seldom translate their words into actions. A true Soviet agenda for peace would include withdrawal of their invading troops and KGB forces from Afghanistan, easing of pressure on Poland and its citizens, a halt of aid to international terrorists, and ending the use and supply of their nightmarish chemical and biological weapons. Actions of this type would find a ready response from my administration and would begin a new and better era of East-West relationships.

But while we are on the subject of commitment to peace, I would like to review quickly the peace initiatives of my government around the world, in addition to our efforts for significant arms reductions. In the Middle East, we were instrumental in ending the fighting in Lebanon and evacuating the PLO forces. We are working now to achieve the withdrawal of all foreign

forces from that embattled country. In Africa, we have achieved, in consultation and cooperation with our allies, major progress towards an agreement to bring freedom to the people of Namibia, and long-term security, freedom, and development to southern Africa. In Latin America, we are working with the democracies to lift their burden of poverty and encourage the social development so necessary for progress and stability. And also, in the area of nuclear nonproliferation, we are working to halt the spread of equipment and technology which could be used to manufacture weapons, while still responding as a reliable supplier to those countries with legitimate energy needs.

All of these approaches and policies reflect my overriding goal as President—to do everything I can to help advance the cause of peace. We will be second to none in that quest—and we welcome others in that noblest of goals.

Atlantic Alliance

Q. Do you believe that Western Europe—with the exception of Great Britain—could soon be of minor importance to the United States? By the end of this century Western Europe would become as dependent on the Soviet Union as Finland is today. This would come about as a result of sweeping socialist policies, too much economic and financial aid for Eastern European countries, and not enough willingness to defend their own. What are your views on that thesis?

The President. In my meetings with European leaders over the past 2 years, I have been struck by the dramatic contrast between such a thesis and reality. I have found deep common dedication to NATO and the unanimous acceptance of our shared responsibility for a strong defense in the interest of a stable and secure peace.

The Atlantic relationship is strong because the fundamental principles which unite us endure. Our democracies are linked in history, culture, values, and interests. The original reason for NATO—the Soviet threat to Western European political and security independence—persists and will continue to be the central foreign

policy challenge facing us. We continue to believe that Western European and American security are indivisible and that NATO remains the safest, most effective, and least costly way to meet the Soviet threat.

There will, of course, continue to be differences in approach among us in reaching our shared goals. Our nations cannot be insulated from the heat and light generated by the democratic process. It is precisely our democratic values and purposes which give our alliance relevance and enduring strength. Our differences concern how best to shape our relationship, not whether it should exist.

I can assure you that the Atlantic relationship remains central to American foreign policy. I underscored the constancy of this commitment at the Bonn summit last June when I stated: "... there is an inseparable link between the security of all and the security of each. . . . I want to reaffirm in unmistakable terms adherence to this principle . . . that a healthy, vigorous, and effective alliance remains the foundation of American foreign policy. . . ."

Arms Control and Reduction

Q. What is the basic philosophy of your disarmament policy?

The President. We believe that arms must not only be controlled, they must be significantly *reduced* if we are to secure life and liberty. Since the concept of deterrence has kept the peace longer than any other, we believe there must be a stable balance, both conventional and nuclear, so that aggressors will never be tempted and war will never occur.

In November 1981, I outlined America's goals for arms control and listed the principles behind all our arms control negotiations.

The first principle is that reductions should be substantial and militarily significant. We must make a break with the approach in past negotiations, which did nothing but ratify ever higher levels of arms on both sides. At the strategic nuclear level we have made a proposal to cut ballistic missiles by about half from current U.S. levels, and warheads by roughly a third. At the intermediate-range nuclear level, our goal is the complete elimination of the most desta-

bilizing systems of land-based, longer range missiles. What a contribution to world security that would be: to banish an entire class of threatening nuclear weapons from the face of the Earth! For conventional forces in Europe, we along with our allies are offering to make reductions to 700,000 ground forces and 900,000 ground and air forces combined.

The second principle is equal ceilings for similar types of forces. We believe that stability can best be assured by this even balance. We do not believe that the Soviet Union is entitled to have an arsenal as large as the total of the rest of the world.

The third principle is effective verification. In view of Soviet violations of existing treaties, including those banning chemical and biological weapons, we must have confidence that an agreement we sign to limit weapons will be observed by both sides.

Central to my arms reduction philosophy has been close consultation with our allies. Through NATO organizations such as the Special Consultative Group, through multilateral and bilateral meetings, we have discussed fully our approaches to the major negotiations with the Soviet Union, and the U.S. positions in INF and START negotiations have the full support of the alliance. I doubt if there've ever been closer consultations in the alliance than those we've had on the INF talks.

The arms reduction program which we've initiated contains the most comprehensive set of proposals put forward by any American Government. We are committed to successful negotiations, and we believe there is a basis for agreement if the Soviets show equal seriousness.

Q. In addition to the zero-option, as an interim solution you recently suggested, under pressure from the European allies, to break the impasse at the Geneva Conference. How many SS-20 missiles would the Soviets now have to withdraw in order for the U.S. not to station the Pershing II?

The President. No pressure from the allies was involved on the development of our most recent proposal in Geneva. Rather, it resulted from our intensive and ongoing consultative process. In my speech of March 13, I proposed an interim solution on INF

to the Soviet Union which calls for the reduction of planned U.S. deployments of Pershing II and cruise missiles and actual Soviet SS-20 deployments to equal levels of warheads on a global basis. We did not propose a specific figure, because we are maintaining maximum flexibility in reaching an agreement at equitable and verifiable levels. The ball is now in the Soviet court. We still believe the elimination of the entire class of longer range and land-based INF missiles to be the best solution, and it is a goal toward which we hope to negotiate an accord following agreement on an interim solution.

Q. You recently talked about your ideas to secure world peace through unconventional weapons. Could you be more specific? Critics fear that you would move the battlefield from Earth into space.

The President. When I discussed a strategic defense initiative in my speech of March 23, I noted that for the last several decades, U.S. nuclear deterrence policy has relied heavily, almost exclusively, upon the deterrent provided by our offensive nuclear forces. This concept of deterrence is based on the premise that neither side would initiate an attack because of the catastrophic consequences; the costs of such an attack would far outweigh any possible gains. This concept has led to the development of *offensive* ballistic missile forces by both the U.S. and the Soviet Union. I envision a day when we decrease our reliance on offense and recognize the potential contribution of an effective defense. Strategic missiles are the most destabilizing form of nuclear weaponry. Measures to protect ourselves, our families, and our countries from their devastation should add incentives for arms control and provide great relief from fear.

Certainly there are drawbacks and potential obstacles to this new concept. But the specter of nuclear holocaust and both of us pointing a cocked gun at the other is unacceptable. Research into defensive systems could free our populations from serving as hostages underwriting the peace. So, I decided to direct a major review of technologies and other areas related to defensive systems in order to assess how our security and that of our allies can rely on this approach.

We are not proposing a specific weapon system, but have begun basic research that could lead to development by the turn of the century. It is too early now to identify specific systems. We will abide by all existing treaties as we do this research and will consult closely in the alliance. Once developed, we hope that defense against ballistic missiles would be fully integrated into the arms control process.

And, no, we are not taking the arms race into space. The Soviets have the only operating antisatellite weapon. They rejected our proposals in 1979 to abolish all such weapons, and they are continuing a massive research program for space-based weapons. Sadly, again, their words—recently reiterated—about peaceful uses of space are belied by their deeds.

Q. Do you think a nuclear war limited to Europe is a possibility?

The President. Let me, first of all, emphasize that our policy is aimed at preventing conflict and settling differences peacefully. We and our allies will not use any of our weapons, except in response to aggression.

I don't believe a limited nuclear war is possible. Throughout the postwar years, the U.S. has made clear that U.S. strategic forces are coupled to the defense of Western Europe. In 1979 NATO reinforced that link with its dual-track decision to deploy longer range INF missiles in five basing countries in NATO Europe unless an arms agreement with the Soviet Union made deployment unnecessary. The deployment of Pershing II and ground-launched cruise missiles will provide an unbroken spectrum of deterrence of potential Soviet aggression—from conventional forces to strategic nuclear systems in the United States. Striking confirmation of how U.S. forces are coupled to the defense of Western Europe was provided by none other than Soviet Defense Minister Dimitriy Ustinov on April 6 in East Germany: "If Washington is calculating that we will retaliate to the use of Pershings and cruise missiles only against targets in West Europe, it is profoundly deluded. Retribution will inevitably follow against the United States itself, too."

Like all of NATO's weapons, the ground-launched cruise missiles and Pershing II's

were developed not to be fired, but to deter war. If we maintain a balance of force, there will be no aggression, and NATO will successfully keep the peace for another four decades.

Future of World Economy

Q. Your economic policies have come under attack from Europe's social democratic governments. Recovery is now underway in the United States and West Germany. Is the worst of the slump over, or is there still a danger that mounting national debts by Latin American and Eastern European countries will throw us into a world economic crisis?

The President. The positive figures for U.S. GNP growth in the first quarter and a plateful of other bright economic signals indicate that the worst of the slump is behind us. Inflation is still under control and interest rates continue to fall.

The recovery now underway in several major countries is the key to easing the financial pressure on many developing countries in Latin America and elsewhere. If we keep our markets open and resume a high level of international trade, then international debts can be serviced. We are strengthening the resources of key international institutions such as the International Monetary Fund. So, while we are still not out of the woods, I am increasingly optimistic about the future of the world economy.

In a few weeks Chancellor Kohl and I will join our counterparts from other industrialized countries at the Williamsburg Economic Summit and compare notes on the brightening of the world economic picture since our last summit in Versailles—and consider how we can work more closely together to sustain the recovery.

Q. With the invention of the steam engine, many people feared for their jobs. Today the electronic revolution has already replaced jobs once performed by people. What needs to be done to turn this trend into a positive development?

The President. Unfortunately some of the unemployment which is due to structural changes within our economies will not be eliminated with the economic recovery which has begun in both Germany and the United States. Some people who lost their

jobs will never regain the positions they lost because of technological change; the jobs of the future will increasingly lie in high-technology and service industries and training for those types of positions is essential.

We industrial nations must never turn our back on our basic industries—we will always need them. But neither must we attempt to prop up industries employing outmoded means of production. We must encourage our firms to retool and our workers to retrain. And we should allow market incentives to encourage the flow of resources—labor and capital—into modern methods of production and new industries. Here in the United States, the tax laws of 1981 and 1982 contain important provisions which encourage investment in new machinery and equipment.

Clearly, if our workers are to find jobs in this new age of technology, they must begin now to learn the skills that will be needed. We have recently begun a publicly funded job training program here, but the bulk of the retraining must be done by the private sector. After all, the individual firms in the private economy know far better than do we in government exactly which skills they will need in the future. By matching the skills of our people to the demands of the labor we will turn the electronic revolution to our advantage. Our people will then enjoy the increase in real quality of the life that will be possible through modern, efficient technology on our farms, in our factories, and in our offices.

U.S.-German Relations

Q. One more question, Mr. President: Do you have any special message for the German people?

The President. The peoples of the United States and the Federal Republic are bound together through their shared values, beliefs, and interests. Together we will face many challenges in the coming years. I am confident that we will meet those challenges successfully because of our deep commitment to Western values, our belief in democracy, and our faith in God. We are dedicated to the peaceful competition of ideas and individual and national freedom. The Federal Republic and the United States

are firmly devoted to the cause of peace, and we will maintain the defensive forces necessary to ensure our security. At the same time, we will be untiring in our efforts to reduce the threat of war through negotiations in Geneva, in Vienna, in Madrid, and wherever the possibility of progress toward a more secure future exists. The United States has made proposals, endorsed by our allies and supported by the peoples of the Western democracies, to drastically reduce the warheads on strategic ballistic missiles, to eliminate an entire category of nuclear weapons, to ban chemical weapons, reduce to equal levels of military personnel for the Warsaw Pact and NATO in Central Europe, and halt the destabilizing spread of nuclear weapons to new countries and volatile regions of the world. I hope the Soviet Union will join with the German and American people in our mutual efforts to build a cathedral of peace as the people of Cologne built theirs—with the deepest commitment and dedication. As I said to your Bundestag last June, “if we construct the peace properly, it will endure as long as the spires of Cologne”.

Views on the Presidency

Q. They say the burden of his office makes the President the loneliest man in the world. Do you feel lonely?

The President. How could I feel lonely with so many people giving me advice? But I know what you're asking and the question is yes and no. Yes, to the extent that I know the responsibility for so many critical things is based on my decisions. It is sometimes staggering for a President to think that his decisions will affect 230 million people in the United States and billions around the world. But, at the same time, I'll give you a no answer for several reasons. First, a faith which gives me a sense of strength and also a sense of continuity with others who have held this office through even more critical times, President Lincoln for example. Second, Nancy shares with me my life; she is my partner in this life, and she is always there. And third, well, I wish you could read the letters I get from people sending me their prayers. They pray for my well-being, and I can't tell you what a warm feeling that is.

Q. What has been your biggest disappointment during your Presidency? And what was your happiest experience?

The President. Most disappointing, well, let me tell you my saddest experience, because it is so fresh in my mind. Nancy and I went out last week to Andrews Air Force Base to meet the bodies of those Americans who were killed in the blast in Beirut. There was a ceremony in a hangar with the flag draped coffins. I gave some remarks which were very difficult to get through, because they told exactly what these people meant to the country. And sitting in front of me were the families, and it was obvious what these dead Americans meant to them. Nancy and I walked up and down several rows of family members expressing our sorrow as best we could and trying to be of some comfort in letting them know the Nation appreciated their loved ones sacrifice. But there was such an overwhelming sense of loss that tears were the only release.

Now, as for the happiest experience, that's tough, because we have been very happy here. Right at the beginning of the administration it was a very happy time welcoming home the hostages from Iran. Of course, there were some of our economic victories on Capitol Hill and the fact that the economy is finally starting to move. Those were exhilarating days when the space shuttles made their beautiful landings out in the desert. My visit to your country last year was a most satisfying experience. I suppose I could go on and on with happy memories, and you wouldn't have any room to put my answers to the other questions.

Q. What is your personal secret for keeping so youthful, dynamic, and full of energy?

The President. I'm often accused of being an optimist, but I think that really helps. It helps you over a lot of things. I don't believe it's a secret that having the warmth of a loving woman like Nancy also makes life worthwhile and enjoyable. As for full of energy, I have a gym right here in the White House for working out. I've added an inch and a half to my chest in the process. So, being active is very important. And, I've said this before, but there's nothing better

for the insides of a man than the outsides of a horse. Here in Washington and at Camp David I ride as often as I can a handsome Hanoverian. I just think the positives of life add up if you let them.

Q. In November of last year Austria gave you a "live" present: a Lippizaner horse. Considering your busy schedule and many obligations, have you ever been able at all to enjoy Amadeus?

The President. The copy of your maga-

zine which you shared with me brought back memories of that marvelous presentation of the Lippizaners on the South Lawn last fall. So far, the laws requiring Amadeus to be quarantined haven't allowed me the opportunity to ride that magnificent horse, but I hope to do so soon.

Note: As printed above, this item follows the text of the White House press release, which was issued on May 10.

Appointment of Frank Stanton as a Member of the President's Committee on the Arts and the Humanities

May 10, 1983

The President today announced his intention to appoint Frank Stanton to be a member of the President's Committee on the Arts and the Humanities. He would succeed Nancy Hanks.

Dr. Stanton is former chairman of CBS. He was former chairman of the Business Committee for the Arts, fellow of the American Academy of Arts & Sciences, director of Lincoln Center, and director of Lincoln Center Performing Arts. In addi-

tion he has served on many corporate boards, including Atlantic Richfield, Pan American, American Electric Power, and New York Life Insurance. He served as chairman of the Red Cross and of the Center for Advanced Study in Behavioral Sciences.

He is married and resides in New York City. He was born March 20, 1908, in Muskegon, Mich.

Appointment of Two Members of the President's Commission on White House Fellowships

May 10, 1983

The President today announced his intention to appoint the following individuals to be members of the President's Commission on White House Fellowships. These are initial appointments.

Marilyn S. Lewis served two terms in the Pennsylvania House of Representatives. She was first elected in 1978 and served as a member of the legislature until 1982. Previously she was a Republican committeewoman for Montgomery County, Pa. She is active in the community, serving as a board or committee member of the Philadelphia Orchestra Association, the Heart Association of Southeastern Pennsylvania, the North Penn United Fund, and the

Philadelphia Zoo. She attended the University of Miami and Harcum Junior College. She is married to the former Transportation Secretary Drew Lewis. They have three children and reside in New York City. Mrs. Lewis was born July 19, 1931, in Philadelphia, Pa.

Richard E. Kinser is managing partner of Gould & McCoy, Inc., a national executive search consulting firm in New York City. He recently served in the White House as Deputy Director of Presidential Personnel. Previously he was senior vice president and director of William H. Clark Associates, Inc., in 1979-1982; partner in Foster & Associates, Inc., in 1977-1979; and vice president of Booz, Allen & Hamilton, Inc., in 1965-1977. Mr. Kinser graduated from Stan-

ford University (A.B., 1958). He is married, has two children, and resides in New York, N.Y. He

was born May 14, 1936, in Los Angeles, Calif.

Appointment of Two Members of the President's National Security Telecommunications Advisory Committee

May 10, 1983

The President today announced his intention to appoint the following individuals to be members of the President's National Security Telecommunications Advisory Committee:

M. Kenneth Oshman is president and chief executive officer of the Rolm Corp. in Santa

Clara, Calif. He is married, has two children, and resides in Palo Alto, Calif. He was born July 9, 1940, in Kansas City, Mo.

Charles Edward Robinson is president and chief operating officer of Pacific Telecom, Inc., in Vancouver, Wash. He resides in Palmer, Alaska. He was born December 3, 1933, in Salem, Ark.

Remarks and a Question-and-Answer Session During a United States Chamber of Commerce Teleconference

May 10, 1983

The President. Well, thank you, Mac Baldrige. I know how difficult it is to say "au revoir" to that beautiful city. But I wish you a safe journey home. And we look forward to seeing you soon.

May I also say "thank you" to some very special friends: President Dick Leshner and his dynamic U.S. Chamber. Today's program is a perfect example of what the Chamber provides so well—business leadership to help push America forward toward new growth and more opportunity.

As you know, this is Small Business Week. I'm glad to be at the Chamber where so many small firms have become members and are working to keep America great by helping us to preserve our system of free enterprise.

I understand many thousands of small business people in some 42 sites will be watching this broadcast. Well, that's good news, because no group is more important to America's economic well-being than small business. No group does more to create human progress and receives less recognition than you, the risktakers of America.

We're asking you to address the great

challenge of trade with your vision, courage, and leadership. I'm convinced the United States can begin the first leg of a new voyage into the future, a future in which commerce will be king. The eagle will soar, and America will be the mightiest trading nation on Earth.

Every citizen has a role and stake in helping the United States meet her trade challenge in the eighties. And the potential for growth is enormous—a nearly \$2 trillion market abroad, a chance to create hundreds of thousands of jobs, more income security for our people, and greater security for our freedom and democracy. Ninety percent of American manufacturers do not export at all. We believe tens of thousands of them could. And many of these are small- and medium- sized firms like yours.

We're trying to meet the trade challenge in several ways. First, we're taking long overdue steps to get this economy back on a sound footing. We're encouraging lasting, noninflationary growth through economic reforms based on time-tested principles, spending restraint, and sound monetary policy to bring down inflation and interest

rates; less regulatory interference to stimulate greater competition and growth of enterprise and employment through tax incentives to encourage work, thrift, investment, and productivity.

I believe our economic program is delivering a recovery, and without returning us to the misery we inherited in 1980—double-digit inflation and 21½-percent interest rates. Each month brings fresh evidence that the recovery is building and that we can look forward to more growth, more jobs, and more opportunities.

America is on a new road now, and it's a far better road than before. I'm digging in my heels against those who would put us back on a dead-end path of raising taxes for bigger and bigger government. We cannot make America stronger by making the small businesses [business men] and women of America weaker.

Entrepreneurs and working people must not be burdened with new tax increases. The Congress must work with us to control the growth of spending. I will also oppose the quick fix of trade protectionism, because we saw the nightmare that helped create in the 1930's.

We and our trading partners are in the same boat. If one partner shoots a hole in the boat, it makes no sense for the other partner to shoot another hole in the boat. That's not getting tough. It's getting wet. And eventually it means sinking the boat that's headed for greater growth and prosperity.

The same holds true for dead-end policies like the local content rule—legislation that would force those who sell cars in the United States, including domestic manufacturers, to build their cars with a rising share of U.S. labor and parts. As the Congressional Budget Office pointed out, this would destroy more jobs than it would create. It would add significantly to the cost of new cars and these costs of protecting one group of workers would be passed on to another group down the line whose jobs would then be jeopardized. It would violate our international commitment to the GATT.

Protectionism only opens the door to retaliation. We would buy less from our partners, they would buy less from us. The world economic pie would shrink and politi-

cal tensions would multiply. The local content rule is a cruel hoax. We propose a positive approach. We want to enhance the ability of U.S. producers and workers to compete on a fair and equitable basis in the world marketplace.

We're very enthusiastic about landmark legislation I signed last year—the Export Trading Company Act. The idea is teamwork and is designed to encourage joint efforts by manufacturers, export management companies, banks, freight forwarders, and others to enter foreign markets.

Mac Baldrige's team has been holding seminars across the country to promote export trading companies. They're helping businesspeople learn how to use the legislation to expand our markets, become exporters, or to sell to export trading firms who can do it for them. This will mean more exports, higher growth, lower deficits, and a surge in jobs and opportunities.

We want Uncle Sam to be your partner, not your foe. So, we're also moving on many other fronts. We've eased taxation of foreign-earned income, introduced a tax credit for research and development, and eliminated export controls on low technology items that don't threaten our national security.

We're working to reform the Foreign Corrupt Practices Act so we can remove barriers to legitimate business transactions, and we're moving much more aggressively to promote American products.

I have endorsed plans to reorganize the executive branch trade functions with a single, Cabinet-level Department of International Trade and Industry. This way, U.S. business and the world will know we speak with one voice in both negotiations and implementation of trade policy.

In 2 weeks we'll host the annual economic summit of the major industrial countries in Williamsburg, Virginia. The leaders of the great democracies will have an opportunity to discuss issues of domestic and international economic policy and reflect on their collective responsibilities to free peoples throughout the world. I can assure you that expanding international trade will be a priority topic. The United States will carry the banner of free trade and open markets.

You could help us greatly if you would let the Congress know you stand behind us.

And now I think I've gone on enough, so I'll be more than happy to answer your questions.

Ms. Comer. Thank you, Mr. President. We now go to our first caller. We're on the line from Detroit. Please go ahead with your question.

Import Quotas

Q. This is Joseph G. Conway. I am vice-chairman of the National Bank of Detroit. Mr. President, the recession has certainly increased the calls for economic protectionism. We in Detroit are particularly conscious of the local content legislation which you mentioned. Quotas on Japanese cars and European steel and the recent tariff decision on imported motorcycles would seem to contradict your administration's commitment to free trade. Would you comment, please?

The President. Yes, Mr. Conway, I'd be very happy to. I think there could be a perception of just what you suggested there. However, everything we've done is within existing laws.

The quotas on Japanese automobiles are voluntary quotas. They, themselves, adopted them and without us requesting such a thing. They were very conscious of the tendency toward protectionism in our Congress, and so the Japanese—well, much more than a year ago—themselves imposed those quotas.

With regard to steel, there again within existing laws, we have been negotiating with our trading partners in the world because some of them were dumping. And that single word, "dumping," means they were invading our market and selling at lower than production cost by government subsidies being provided to the producers of steel in those countries. And our law provides that when that takes place, we can fight back. And that we've been doing. And I think we've had a better relationship established with some of our trading partners as a result.

With regard to the motorcycle incident, that is a single thing that has come up with regard to one type of motorcycle. And again, under existing laws, we can tempo-

rarily offer a protection to enable an American company to readjust in order to meet the foreign competition. And that's what we have done with regard to the motorcycle action. This is a temporary thing under existing law.

But I agree with you, that protectionism—and as I said in my remarks—that's a one-way—or a two-way street I should say, and you can't practice that without having retaliation. And so we are dedicated to anything that will increase free trade. And I'm sure that this will be one of the items that will be discussed at the summit conference in Williamsburg, Virginia.

Ms. Comer. Thank you, Mr. President.

We move down from Detroit, Michigan, down to Albuquerque, New Mexico. Please go ahead with your question.

Small Business

Q. Mr. President, I am Roy Bidwell, president of the Albuquerque Chamber and president of Rio Grande Title Company. There are great opportunities in overseas markets for our small business exporters, especially those in the high technology companies. However, they seem to be the hardest hit by the various government regulations that act as a disincentive to exporting. What proposals do you have, sir, for making small business more competitive in the world market?

The President. Well, for one thing, we are very well aware of the problem of overregulation by the Federal Government. And we've had a task force under the Vice President working on that ever since we've been here. Many regulations have been changed. But we have now identified 20 specific regulations that are, according to small business in America, the most—well, they hinder small business the most, interfere the most. And we're going to work on those 20 regulations.

We have done other things that I mentioned, however. We've obtained some waivers on the antitrust laws to enable small businesses to work through—well, to sell directly themselves or to work through export trading companies. That's what the legislation was all about, so that groups of businesses could come in together and

through an export trading company do business abroad.

We're doing other things that—well, we hope that under our economic program that we have helped small business with regard to taxing policies, investment policies. And we're going to continue along that line.

As a matter of fact, I will be making some awards tomorrow in the Rose Garden to some people in small business for their achievements. And, as you know, this is Small Business Week.

Ms. Comer. Mr. President, let's move south to Mobile, Alabama. Please go ahead. You're on the line.

Taxation

Q. Mr. President, my name is Robert M. Hope. I am president of the Mobile Area Chamber of Commerce and director of the Port of Mobile. Mr. President, statistics indicate that our main overseas competitors invest at double our per capita rate in new plants and equipment. In your opinion, how should the United States Government create tax conditions which will encourage investment over consumption in order to help expand the U.S. export market?

The President. Well, I think our economic program, Mr. Hope—and, you know, it's an awful temptation right now for me to start calling you Bob. But the—our economic program and our tax program recognize the fact that about 80 percent of small business pays in the personal income tax, not in the corporate tax. And as of July 1st, there will be a full 25-percent cut, as you know, in that tax. And I have—and am resisting every suggestion here in Washington that that final 10 percent on July 1st should be delayed or in some way interfered with. I will veto any attempt to take that tax cut away from the people. That is one thing.

There are other features of the overall tax program that we adopted in 1981 that are directed toward breaks for business and opportunities for them to accumulate the capital needed. I think it has been the taxing policy plus inflation in our country over a number of years that has made it difficult for American business to modernize, to bring plant and equipment up to date, and thus keep pace with our overseas competi-

tors. We continue to seek new ways in the taxing structure. We've done things with regard to the inheritance tax for the protection of family businesses and so forth. We're going to continue with that. We're going to continue with looking at the regulations that we can change to make it more possible.

We have also in taxing, that I think should be of help to anyone doing exporting overseas, made some changes with regard to the inducements that you can offer for Americans who have to serve at least 11 out of 12 months of the year as employees of yours overseas. The tax exemption now is up to 75,000, and it is phased so that by 1986 that exemption will be \$95,000, which I think will be an incentive for direct work by your own employees in the overseas markets.

The other thing that we've done with our economic plan is the matter of inflation, which has been so penalizing to so many of you and the high interest rates. They've come down from 21½ to 10½, and I have a hunch they're going to come a little lower in the near future.

As to inflation—and that's what's brought about the change in interest rates—it was double-digit, 12.4 when we started. For the last 6 months inflation in our country has been running at less than one-half of 1 percent, and we're going to keep battling on that front.

Export Finance

Ms. Comer. Mr. President, your next question comes from Cleveland, Ohio. Please go ahead.

Q. Good morning, Mr. President. I'm Stephen Wall, president of the Cleveland World Trade Association. Mr. President, my question concerns export finance. Capital goods represent some of our most important exports to lesser developed countries, many of whom have significant credit needs. The U.S. Export-Import Bank is often crucial to these export efforts. What Eximbank programs will be expanded to make sure that U.S. exporters can offer foreign buyers to the credit that they need?

The President. Well, right at the moment, the Exim—Export Bank has funding availa-

ble, because the world recession has reduced the demand from so many of the developing countries. But in addition to about \$3.8 billion that is on hand for direct loans, I have asked for 1984, 10 billion additional dollars in guarantees and insurance to help in this. And I have expressed a willingness to the Congress to augment or add additional—almost \$3 billion to that bank. So, I think that the funds are there and that, yes, they can be used for this very purpose—to offer credit and to enable our customers to buy.

Ms. Comer. Mr. President, do you have time for one more question?

The President. All right.

Foreign Trade

Ms. Comer. Let's go to New York City for your next question. Please go ahead.

Q. Mr. President, I'm Wayne Anderson, vice president, governmental relations, Nabisco Brands, Incorporated. Mr. President, for a number of years, we've seen proposals advanced that would create a single department of international trade, one that would pull together all of the international trade responsibilities of the various Federal agencies. Could you tell us why you have decided to support this proposal?

The President. Well, because foreign trade is so important. Ten percent of our whole gross national product is foreign trade. A billion dollars of export can add 25,000 jobs and play a factor in solving the unemployment problem.

And we have found, and I have found here, in our Cabinet meetings and all, that

policy is actually distributed among a number of different agencies in our government and legitimately so. They have a stake in it—the Department of Agriculture, with regard to foreign trade, Defense Department, and national security, and things of this kind.

And we have just decided that, with this great importance to business and industry in America, that it makes sense to have a single government agency where policy for foreign trade is concentrated and our trading partners in the world know that there is one agency in government that can provide the answers to any questions that they might have or that our export businesses might have.

So, Mr. Anderson, we think that it just makes good, common sense to finally, once and for all, bring under one roof this whole matter of policy in foreign trade.

Ms. Comer. Thank you, Mr. President. As the Nation's number one advocate for U.S. exports, you set the can-do theme that we intended for this conference. Thank you for joining us.

The President. Well, thank you very much. It's been a great pleasure to be here.

Note: The President spoke at 11:38 a.m. from the Washington, D.C., studios of the U.S. Chamber of Commerce. The international satellite teleconference, which also included remarks by Secretary of Commerce Malcolm Baldrige from Paris, France, was hosted by Meryl Comer and broadcast over the American Business Network.

Announcement of Revised United States Sugar Import Quotas for Nicaragua, Honduras, Costa Rica, and El Salvador

May 10, 1983

The President today announced changes in the administration of the quota on U.S. imports of sugar for four Central American countries. The quota for Nicaragua will be reduced to 6,000 short tons (ST), and this reduction will be reallocated to three neighboring countries: Honduras, Costa Rica, and

El Salvador. This action will become effective in fiscal year 1984 (which begins October 1, 1983).

The President is taking this action because of the extraordinary situation in Central America and its implications for the United States, and the region as a whole,

including Honduras, Costa Rica, and El Salvador. These three countries are experiencing enormous problems, caused in considerable part by Nicaraguan-supported subversion and extremist violence. The additional quota for these three countries represents a total of roughly \$14 million in foreign exchange per year. This occurs because the U.S. internal price (21–22 cents/lb.) in recent weeks is far higher than in most other markets of the world (6–7 cents/lb.). The transfer of the Nicaraguan quota will significantly benefit the recipient countries.

By denying to Nicaragua a foreign exchange benefit resulting from the high U.S. sugar price, we hope to reduce the resources available to that country for financing its military buildup and its support for subversion and extremist violence in the region.

This is a signal of the United States seriousness with regard to the economic and political stability of its neighbors in the hemisphere which is integrally related to the security of the region and the United States. The United States will continue to respond to developments in that region.

The sugar quota decision does not affect

our continued willingness to talk with the Nicaraguans about regional issues. We are ready to maintain as positive a relationship with Nicaragua as warranted by Nicaraguan actions.

Nicaragua's present quota is 58,800 ST, while that for Honduras is 28,000 ST; for Costa Rica 42,000 ST; and for El Salvador 72,800 ST.

The transfer from the Nicaraguan quota will be allocated to the countries as follows: Honduras, 52 percent; Costa Rica, 30 percent; and El Salvador, 18 percent. This allocation is based on a comparison of actual recent shipments (1979–1980) to the United States from these countries and their present quotas (which are derived from shipment shares from 1975 to 1981). Consequently, the country which has had the fastest growth of its sugar industry and exports since 1975, Honduras, will receive the largest share of the transferred quota.

This is not a fundamental change in the overall sugar program. The quotas of all countries other than the four specified above are unchanged and continue to be based on the formula announced in May 1982, when the quota program was initiated.

Proclamation 5059—Flag Day and National Flag Week, 1983

May 10, 1983

*By the President of the United States
of America*

A Proclamation

Two hundred eight years ago, the first distinctive American flags were flown over the colonial defenses during the Battle of Bunker Hill. One flag was an adaptation of the British Blue Ensign while the other had a new design. Both flags bore a pine tree, symbol of the struggle colonial Americans undertook to wrest their land from the forests.

As the colonials moved toward a final separation from Britain, other flags with various symbols appeared to inform the world of the hopes, dreams, and challenges of the new Nation. Many of the early American

flags carried such mottoes as “Liberty or Death” or “Don’t Tread on Me” to reflect the courage and quest for freedom which motivated our forefathers and gave birth to our Nation.

Two years after the Battle of Bunker Hill, the Continental Congress chose a flag which, tellingly, expressed the unity and resolve of the patriots who had banded together to seek independence. The delegates voted “that the flag of the thirteen United States be thirteen stripes, alternate red and white; that the union be thirteen stars, white in a blue field representing a new constellation.” Two centuries later, with the addition of thirty-seven stars, this flag still symbolizes our shared commitment to free-

dom and equality. It carries a message of hope to the downtrodden, opportunity to the oppressed, and peace to all mankind.

As challenges face our Nation today, the "Stars and Stripes" continues to remind each of us of the sacrifices and determination which built this Nation. It signals the great land of opportunity that our forefathers carved out of the wilderness and gave their lives to make free so many years ago.

Now it is our responsibility to remember the great price that has been paid to keep our flag flying free today and our privilege to ensure that it will keep flying free for future generations.

To commemorate the adoption of our flag, the Congress, by a joint resolution approved August 3, 1949 (63 Stat. 492), designated June 14 of each year as Flag Day and requested the President to issue an annual proclamation calling for its observance and the display of the flag of the United States on all Government buildings. The Congress also requested the President, by a joint resolution approved June 9, 1966 (80 Stat. 194), to issue annually a proclamation designating the week in which June 14 occurs as National Flag Week and calling upon all citizens of the United States to display the flag during that week.

Now, Therefore, I, Ronald Reagan, Presi-

dent of the United States of America, do hereby designate June 14, 1983, as Flag Day and the week beginning June 12, 1983, as National Flag Week, and I direct the appropriate officials of the Government to display the flag on all government buildings during that week. I urge all Americans to observe Flag Day, June 14, and National Flag Week by flying the "Stars and Stripes" from their homes and other suitable places.

I also urge the American people to celebrate those days from Flag Day through Independence Day, set aside by Congress as a time to honor America (89 Stat. 211), by having public gatherings and activities at which they can honor their country in an appropriate manner.

In Witness Whereof, I have hereunto set my hand this 10th day of May, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:05 a.m., May 11, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on May 11.

Message to the Senate Transmitting the Eastern Pacific Ocean Tuna Fishing Agreement May 11, 1983

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Eastern Pacific Ocean Tuna Fishing Agreement which has been signed by the United States, Costa Rica and Panama. It will enter into force following ratification by five coastal states of the region. Also transmitted for the information of the Senate is the report of the Department of State with respect to the Treaty.

The United States has been involved in a fisheries dispute with several Latin Ameri-

can countries as a result of conflicting laws regarding jurisdiction over highly migratory tuna and has, in the past, prohibited imports of tuna from several countries as a result of seizures of U.S. tuna boats. These countries claim jurisdiction over all fish, including tuna, within 200 nautical miles. The United States does not recognize, or claim, jurisdiction over tuna beyond 12 nautical miles. United States policy, pursuant to the Magnuson Fishery Conservation and Management Act, has been to negotiate international agreements to ensure the effective conservation and management of tuna and

to secure access for U.S. fishermen to the stocks wherever they migrate beyond a narrow belt of coastal waters.

This Agreement, which is interim in nature pending the negotiation of a comprehensive tuna conservation and management regime, provides for the issuance of international licenses for fishing tuna in a broad area of the eastern Pacific Ocean. Provision is also made for conservation under specified circumstances. It thus

further U.S. fisheries policy goals while reducing tensions that have arisen as a result of conflicting juridical claims.

I recommend that the Senate give early consideration to the Treaty and give its advice and consent to ratification.

RONALD REAGAN

The White House,
May 11, 1983.

Message to the Congress Transmitting a Report on Nuclear Nonproliferation

May 11, 1983

To the Congress of the United States:

Preventing the spread of nuclear weapons is a longstanding and fundamental security objective. My Administration is strongly committed to that goal and has actively pursued it by reinforcing essential non-proliferation measures and by adopting new approaches where these will serve our non-proliferation interests.

As noted in my March 31 statement, for arms control to be complete and world security strengthened, efforts to halt the spread of nuclear arms need to be increased. We are undertaking further efforts with key countries on the need for urgent

movement to strengthen measures against nuclear proliferation.

The activities of the Administration with respect to non-proliferation and peaceful nuclear cooperation during 1982 are described in the report called for by Section 601 of the Nuclear Non-Proliferation Act of 1978 (Public Law 95-242). The report has been prepared by the Department of State in collaboration with other concerned departments and agencies.

RONALD REAGAN

The White House,
May 11, 1983.

Remarks on Presenting the Small Business Person of the Year Award

May 11, 1983

The President. Well, good morning, and welcome to the Rose Garden, although I think George has already assured you, you are very welcome here.

I'm told that you have an action-packed schedule in our city, so we're especially pleased that you could be with us this morning as a part of the Small Business Week celebration. You're here today because you've been selected from the mil-

lions of small business owners around America, representing the best of the entrepreneurial spirit in our nation. And you have each in your own way proven that the American dream of economic independence, of individual initiative, of personal excellence can still be achieved through small business.

When I was a very small boy in a small town in Illinois, we lived above the store

where my father worked. I have something of the same arrangement here. [Laughter] But no elevator there. [Laughter] But as we stand here together, I am vividly reminded that those shopkeepers and the druggist and the feed store owner and all of those smalltown business men and women made our town work, building our community, and were also building our nation. In so many ways, you here today and your colleagues across the country represent America's pioneer spirit.

In just a few moments it will be my great pleasure to announce the 1983 Small Business Person of the Year—the 20th annual award of this special honor. It'll be one of these contestants here: either Fred Lubber, O.C. Branch, or Louis and Fred Ruiz. I, for one, am glad that I didn't have to make the choice, because each of them has so much to be proud of. But it's gratifying to see among your ranks a growing number of women and minority entrepreneurs. This demonstrates that our economic system is open and free to all who wish to pursue their dreams of success.

Small business has also played a vital role in helping our country weather the economic storm from which we're now emerging. You laid off fewer workers than big business and will be on the cutting edge of economic recovery. Somebody can go into business right now with a silencer of sirens.¹ [Laughter]

From July 1981 through December 1982, finance, insurance, and real estate, a sector dominated by small firms, actually gained about 65,000 new jobs, while the service sector, also dominated by small firms, added some 535,000 new jobs. Much has been said and written about the high rate with these last few years of small business failures, but not so much has been said about the other side of the coin. In 1981 a record of 580,000 new businesses were formed, and in 1982, some 560,000. There's no question that we're all concerned about unemployment. And perhaps this is where small business plays its greatest role in the economy. In

¹ *The President was referring to the noise made by the 11 o'clock testing of the civil defense warning system for the Washington metropolitan area.*

1980 and '81, of the 2.7 million new jobs that were created, some 60 percent were in firms of less than 500 employees.

We know how important small business is, and we've done our best here in this administration to establish or reestablish an economic environment where the small entrepreneur can thrive.

We've cut inflation from double digits, as you know, to less than a third of its former rate. We've been able to bring skyrocketing interest rates down from a staggering 21½ percent to 10½, and I think they're going to come some lower. We've attacked the regulatory burden and are continuing to slice away needless redtape that government had imposed on you.

We've gotten the Prompt Payments Act on the books so the small firms doing business with the Government are paid promptly. We're increasing Federal procurement from minority enterprise. We've provided small business with more opportunity to participate in international trade through the Export Trading Company Act; signed into law the Small Business Innovation Development Act, assuring small high-tech firms a greater share of government research and development.

I believe that our greatest contribution to small business, however, is—well, to all Americans for that matter—is our package of tax reforms. We've broken through tax barriers to capital formation and investment and virtually eliminated investment—or estate taxes, I should say, for a surviving spouse. Our tax indexing provision and individual tax rate cuts will make it easier for small business owners to fund and maintain their companies.

There's an old economic axiom that still holds true today. If people are not allowed to earn more by producing more, then no more will be produced. Well, that's why our tax incentives, I think, are critical to recovery. The third year of the tax cut and tax indexing will enormously benefit small business people and average working families. Repealing those rate cuts and indexing would be a cruel blow to the American people and to the recovery, and we're not going to let that happen.

Now, I know you have a full schedule.

Earlier I said you reminded me of small-town America and of the pioneer spirit, and you do. You also hold the promise of America's future. It's in your dreams, your aspirations that our future will be molded and shaped. You're the pioneers in America's continuing best and endless frontier—the free enterprise system. I join the Small Business Administration and all Americans in saluting you, the small business proprietors, of 1983.

Now, I know you've all met the three finalists. Now, it gives me great pleasure to recognize as the Small Business Persons of the Year, a very special team, from Tulare, California, a father and son who've shown what can be accomplished—[*applause*]. Well, you're ahead of me already. It's Louis and Fred Ruiz. Congratulations.

Mr. Ruiz. Thank you.

The President. I'd just like to tell you both that one of the things Californians miss the

most when they come here to Washington is Mexican food. So, please—[*laughter*—stay with it. We like it very much. Congratulations. We're pleased to have you here.

Mr. Ruiz. It's our pleasure, believe me.

The President. Well, as I say, we're counting on you. So, don't stay away from work too long. [*Laughter*]

Mr. Ruiz. We'll try a little harder.

The President. Okay. All right.

Mr. Ruiz. Thank you very much, sir.

The President. You bet. God bless you. And thank you all.

Note: The President spoke at 10:58 a.m. in the Rose Garden at the White House. Prior to the President's remarks, the Vice President introduced the three finalist contestants for the award. The winners own and manage Ruiz Food Products, Inc., a manufacturer of Mexican frozen food products.

Remarks at a White House Ceremony Observing National Amateur Baseball Month

May 11, 1983

Well, this is more fun than being President. [*Laughter*] I really do love baseball, and I wish we could do this out on the lawn every day. I wouldn't even complain if a stray ball came through the Oval Office window now and then.

But it's great to see all these youngsters out here and the bats and the balls and everything that's going on. Baseball of course is our national pastime, that is if you discount political campaigning. [*Laughter*] And the ball and bat are common to city streets, rural sandlots throughout all of the country. Whether it's a group of 8-year-olds on a vacant lot, or a finely coached team of college all-stars, or the bottling plant's local team, baseball is fun for players and spectators alike.

So, I'm delighted that Congress has set aside this month to honor amateur baseball—that's why I left you fellows out in those remarks there. [*Laughter*] Now, if they would just set aside a month for my

defense budget. [*Laughter*]

For this signing today we have Hall-of-Famers here, we have Little Leaguers, and that's the way it should be, because baseball appeals to young and old alike. It's increasingly appealing to people around the entire world, and I'm very glad that baseball will be played as a demonstration sport at next summer's Los Angeles Olympic Games. And then, if we're very successful, very possibly it could become a full-fledged medal sport in time for the 1988 games in Seoul, South Korea.

Now, I know you'd rather watch a Little League game than hear me talk, so I shall now go sign this proclamation about baseball month.

[*The President signed the proclamation.*]

All right. Play ball!

Note: The President spoke at 2:06 p.m. on the South Lawn.

Following the President's remarks, the Athletes and the Dodgers, two Pony League teams from Glen Burnie, Md., played one

inning of a baseball game on the South Lawn.

Proclamation 5060—National Amateur Baseball Month, 1983 May 11, 1983

*By the President of the United States
of America*

A Proclamation

The game of baseball originated in the United States of America approximately 150 years ago and quickly became a fixture of community life. Today baseball diamonds dot parks, playgrounds, and schoolyards across the land, and virtually every village, town, and neighborhood has its own team, or teams. No summer would be complete without its schedule of games and championship playoffs.

Baseball is affectionately known as the "national pastime" because of its popularity as both a participant and spectator sport. Some 19 million children, youths, and adults play amateur baseball in the United States; and many millions more attend amateur contests as spectators each year. This vast program is made possible by generous contributions of time, effort, and financial support by millions of individuals representing business, fraternal, civic, religious and service organizations.

Baseball has achieved its greatest popularity and highest level of perfection in the United States, but it is rapidly gaining acceptance elsewhere. In Europe, and in Japan and other Far Eastern countries, there is growing recognition of baseball's great entertainment value and its effectiveness as a means of instilling those qualities of teamwork and fair play that are essential to good citizenship. This recognition is reflected in the fact that baseball will be a part of the 1984 Olympic Games in Los

Angeles.

Because amateur baseball plays such an important role in our lives, and because millions of Americans are involved in the game as players, fans, and supporters, it is fitting that we should celebrate this uniquely American activity.

In recognition of the wholesome recreation, good sportsmanship, competitiveness, and teamwork so necessary in developing good citizenship which the game of baseball affords, the Congress of the United States, by House Joint Resolution 175 (P.L. 98-16), has designated the month of May 1983 as "National Amateur Baseball Month" and has authorized and requested the President to issue a proclamation in observance of that month.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of May 1983 as National Amateur Baseball Month, and I call upon the people of the United States to observe such month with appropriate programs, ceremonies, and activities, so as to testify to the great and significant value of amateur baseball to the American way of life.

In Witness Whereof, I have hereunto set my hand this 11th day of May, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:06 a.m., May 12, 1983]

Executive Order 12420—Incentive Pay for Hazardous Duty May 11, 1983

By the authority vested in me as President of the United States of America by Public Law 97-60 and Section 301(a) of Title 37 of the United States Code, and in order to define the scope of two additional categories of hazardous duty, it is hereby ordered as follows:

Section 1. Executive Order No. 11157 of June 22, 1964, as amended, is further amended by adding the following new subsections to Section 109 of Part I:

“(h) The term “duty involving frequent and regular exposure to highly toxic pesticides” shall be construed to mean duty performed by members who, while under competent orders assigning such members to the entomology, pest control, pest management, or preventive medicine functions of a uniformed service for a period of 30 consecutive days or more, are required to perform in any calendar month a fumigation task utilizing (1) phosphine, sulfur fluoride, hydrogen cyanide, methyl bromide, or (2) a fumigant of comparable high acute toxicity and hazard potential.

“(i) The term “duty involving laboratory work that utilizes live dangerous viruses or

bacteria” shall be construed to mean primary duty performed by members who work with micro-organisms (1) that cause disease (A) with a high potential for mortality, and (B) for which effective therapeutic procedures are not available, and (2) for which no effective prophylactic immunization exists, while such members are assigned by competent orders for a period of 30 consecutive days or more to participate in or conduct applied or basic research that is characterized by a changing variety of techniques, procedures, equipment, and experiments.”

Sec. 2. This Order shall be effective as of October 1, 1981.

RONALD REAGAN

The White House,
May 11, 1983.

[Filed with the Office of the Federal Register, 11:07 a.m., May 12, 1983]

Note: The text of the Executive order was released by the Office of the Press Secretary on May 12.

Letter to the Members of the House of Representatives Concerning the Strategic Modernization Program and Nuclear Arms Reduction May 11, 1983

Dear Tom:

Thank you for your recent letter on our strategic modernization program and its relationship to our arms control proposals. Your letter represents the bipartisan spirit which I believe will help achieve our common goals of ensuring effective deterrent forces and equitable and verifiable arms reductions.

The fundamental U.S. goal in negotiations concerning arms reduction, and especially in our approach to the START negotiations, is to seek agreements that would enhance

security and stability by reducing overall force levels while permitting modernization of U.S. forces necessary for a credible deterrent. As you know, the Scowcroft Commission noted that elements of our START proposal are consistent with and supportive of the Commission's findings. I agree wholeheartedly with the essential theme of the Scowcroft Commission's approach to arms control: the attainment of stability at the lowest possible level of forces.

The Scowcroft Commission's recommendations on modernization and arms control are integrally related. Our action with re-

spect to these recommendations must be equally comprehensive. That is why I am now conducting a review of our START proposal with the intention of developing such modifications as are necessary to reflect the Commission's approach, which I share. To cite just one example, the Commission report recommended that the proposed limit on deployed ballistic missiles currently contained in the U.S. START position be reassessed since it is not compatible with a desirable evolution toward small, single-warhead ICBMs. There are a number of alternative approaches available to integrate this and the other Commission recommendations into our approach to arms reductions. As modifications are made to our START proposal, I will continue to seek stability at the lowest possible level of forces.

The planned deployment of the Peacekeeper missile as proposed by my Administration is compatible with the long-term objective of the Scowcroft Commission Report. The Peacekeeper missile, deployed in a mix with small single-warhead ICBMs, would permit us to maintain the effectiveness of our deterrent and enhance stability while serving as a hedge against Soviet temptation to exploit their present advantage.

At the same time, let me emphasize that we do not seek a first strike capability. To this end, we have constrained the number of Peacekeeper missiles that we plan to deploy to the minimum number needed to assure the effectiveness of our deterrent and no more. Our task, of course, would be much easier if the Soviets would agree to work with us to reduce the ratio of accurate warheads to missile silos. Clearly, consistent with our national security requirements, the overall level of Peacekeeper deployment will be influenced by Soviet strategic programs and arms reductions agreements.

In addition, I fully recognize the central role that the small, single-warhead ICBM plays in the overall modernization program recommended by the Scowcroft Commission Report. We will promptly undertake a major effort to bring the proposal of a small, single-warhead ICBM to fruition on a high priority basis.

In considering the implementation of the essential ICBM modernization program, the Scowcroft Commission also recognized that a series of decisions involving both the Executive Branch and the Congress would be necessary in the months ahead in order to determine the future shape of our ICBM force. Further, it noted that not all of these decisions can or should be made in 1983. The deliberate approach to decision making proposed by a number of members of Congress is fully in keeping with the intent of the Scowcroft Commission Report. I fully recognize that a lasting consensus on such an important issue must be built up carefully and I intend to take the time necessary to forge that lasting consensus.

I urge all concerned, however, to keep in mind that if we draw out critical elements of the decision-making process unnecessarily, we encourage the Soviets to delay in negotiations while continuing apace in their own weapons modernization programs. To avoid this, I am seeking a clear show of support from Congress to signal U.S. resolve. A case in point is the clear necessity of approving funds promptly to procure Peacekeeper missiles. Working together, this should be achievable while simultaneously meeting our mutual desire to deal with deployment issues, whenever possible, in a careful, deliberate manner.

Finally, I want to stress the extraordinary contribution made by the Scowcroft Commission. It provided an opportunity for non-partisan analysis of an exceptionally difficult issue as a prelude to obtaining necessary bipartisan support for critically needed modernization of our strategic forces. While not prescribing the details or the timing, the Commission report suggested certain directions that the continued evolution of our complementary strategy for arms reduction could take. Over the short term, follow-on arrangements involving members of the Commission, as well as close coordination with the Congress, will be extremely helpful both technically and politically in thinking through this evolution. However, we are giving careful consideration to determining which follow-on arrangements best meet our common objectives.

In this regard, I do see merit in a panel with bipartisan composition and with staggered terms of membership to provide advice and continuity in this area. I will work with the Congress, building upon the experience of the Scowcroft Commission, to strengthen and supplement our consultative and advisory processes to assure a lasting, national, bipartisan consensus concerning arms control initiatives—a consensus which

will deserve to be sustained from one Administration to the next.

Sincerely,

RONALD REAGAN

[The Honorable Thomas S. Foley, Majority Whip, House of Representatives, Washington, D.C. 20515]

Note: The text of the letter was released by the Office of the Press Secretary on May 12.

Nomination of Janet L. Norwood To Be Commissioner of Labor Statistics

May 12, 1983

The President today announced his intention to nominate Janet L. Norwood to be Commissioner of Labor Statistics, United States Department of Labor, for a term of 4 years. This is a reappointment.

She has been serving as Commissioner of the Bureau of Labor Statistics since 1979. She joined the Bureau of Labor Statistics in 1963 and has held various positions there,

including Deputy Commissioner in 1973–1978 and Acting Commissioner in 1978–1979.

Dr. Norwood graduated from Douglass College, Rutgers University (B.A., 1945), and Tufts University (M.A., 1946; Ph. D., 1949). She is married, has two sons, and resides in Bethesda, Md. She was born December 11, 1923, in Newark, N.J.

Nomination of Peter Otto Murphy To Be a Deputy United States Trade Representative

May 12, 1983

The President today announced his intention to nominate Peter Otto Murphy to be a Deputy United States Trade Representative with the rank of Ambassador. This is a new position.

Mr. Murphy is currently serving as chief textile negotiator in the Office of the U.S. Trade Representative. Previously he was deputy to the chief textile negotiator in the Office of the U.S. Trade Representative in 1977–1981. He joined the Office of the Special Representative for Trade Negotiations

in November 1974 to participate in the multilateral trade negotiations in Geneva, Switzerland. Mr. Murphy was a credit analyst for the Chemical Bank of New York in 1971–1972.

He graduated from Washington and Jefferson College (B.A., 1971) and Georgetown University School of Foreign Service (M.S.F.S., 1974). He is married, has one child, and resides in Washington, D.C. He was born March 23, 1948, in New Canaan, Conn.

Remarks of the President and Prime Minister George Cadle Price of Belize Following Their Meetings May 12, 1983

The President. I appreciate the opportunity to speak with Prime Minister Rice—Price, of Belize, to listen to his views and to exchange ideas.

Our two countries share fundamental values. Foremost among them, a deep and abiding commitment to democratic government. And this has been very much emphasized in the conversations that we've had so far today.

In contrast to the war and turmoil elsewhere in the region, Belize, Central America's newest independent democracy, serves as a model of peace and stability. Belize is a developing country struggling with serious economic problems. And I'm hopeful that we can, as a neighbor, be of help, especially in those areas effecting the private sector.

Equally important, Belize should benefit under the trade provisions of the Caribbean Basin Initiative now before the Congress. But Prime Minister Price and I have discussed in some detail his country's economic challenges.

We also touched on another struggle Belize has been waging, the battle against marijuana. And I'm impressed and encouraged by the efforts of Prime Minister Price's government to suppress the cultivation of cannabis, a drug which threatens the foundations of both our societies.

Our meeting was productive and cordial. Our conversations have reaffirmed the close relations between our two countries, the friendship of our people, and our mutual commitment to freedom and human rights.

And, once again, Mr. Prime Minister, it's been a great pleasure to have you and your group of ministers.

The Prime Minister. Thank you, Mr. President.

We are happy to be received by the

President of the United States of America. And our exchange of views served to further the good relations between our two countries, the United States of America and Belize.

Our two countries share the same side of planet Earth. We can draw wisdom and strength from the basic values of a common heritage, the same language and common law, a kindred parliamentary democracy, and a mixed economy.

Belize is thankful for the Caribbean Basin Initiative and the helpful cooperation of your people and your government in our daily task to maintain stability and security, which result from mutual respect and recognition of Belize's sovereignty and territorial integrity.

It is our policy to live in peace with our neighbors and to develop with equal standing our resources as together we create wealth to share in social justice.

To continue this difficult task, we need that wisdom and strength which the Father of your nation, President George Washington, told in his parting address; and I quote, "Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports."

With these supports and with faith in God may both our nations continue to do valiantly and thus achieve the well-being and the happiness of our peoples.

Thank you.

Note: The President spoke at 12:49 p.m. to reporters assembled at the South Portico of the White House.

Earlier, the President and the Prime Minister met in the Oval Office and then held a working luncheon, together with U.S. and Belizean officials, in the Residence.

Letter to Three Senators Concerning the Strategic Modernization Program and Nuclear Arms Reduction

May 12, 1983

*Dear Senator Percy: (Dear Senator Nunn:)
(Dear Senator Cohen:)*

Thank you for your recent letter on our strategic modernization program and its relationship to our arms control proposals. Your letter represents the bi-partisan spirit which I believe will help achieve our common goals of ensuring effective deterrent forces and equitable and verifiable arms reductions.

The fundamental U.S. goal in negotiations concerning arms reduction, and especially in our approach to the START negotiations, is to seek agreements that would enhance security and stability by reducing overall force levels while permitting modernization of U.S. forces necessary for a credible deterrent. As you know, the Scowcroft Commission noted that elements of our START proposal are consistent with and supportive of the Commission's findings. I agree wholeheartedly with the essential theme of the Scowcroft Commission's approach to arms control: the attainment of stability at the lowest possible level of forces.

The Scowcroft Commission's recommendations on modernization and arms control are integrally related. Our action with respect to these recommendations must be equally comprehensive. That is why I am now reviewing our START proposal in order to develop such modifications as are necessary to reflect the Commission's approach, which I share. To cite just one example, the Commission report recommended that the proposed limit on deployed ballistic missiles currently contained in the U.S. START position be reassessed since it is not compatible with a desirable evolution toward small, single-warhead ICBMs. There are a number of alternative approaches available to integrate this and the other Commission recommendations into our approach to arms reductions. As modifications are made to our START proposal, I will continue to seek stability at the lowest possible level of forces.

The planned deployment of the Peace-

keeper missile as proposed by my Administration is compatible with the long-term objective of the Scowcroft Commission Report. The Peacekeeper missile, deployed in a mix with small single-warhead ICBMs, would permit us to maintain the effectiveness of our deterrent and enhance stability.

At the same time, let me emphasize that we do not seek a first strike capability. To this end, we will constrain the number of Peacekeeper missiles to the minimum number needed to assure the effectiveness of our deterrent and no more. Our task, of course, would be much easier if the Soviets would agree to work with us to reduce the ratio of accurate warheads to missile silos. Clearly, consistent with our national security requirements, the overall level of Peacekeeper deployment will be influenced by Soviet strategic programs and arms reductions agreements.

In addition, I fully recognize the central role that the small, single-warhead ICBM plays in the overall modernization program recommended by the Scowcroft Commission Report. We will promptly undertake a major effort to bring the proposal of a small, single-warhead ICBM to fruition on a high priority basis.

In considering the implementation of the essential ICBM modernization program, the Scowcroft Commission also recognized that a series of decisions involving both the Executive Branch and the Congress would be necessary in the months ahead in order to determine the future shape of our ICBM force. Further, it noted that not all of these decisions can or should be made in 1983. The deliberate approach to decision making proposed by a number of members of Congress is fully in keeping with the intent of the Scowcroft Commission Report. I fully recognize that a lasting consensus on such an important issue must be built up carefully and I intend to take the time necessary to forge that lasting consensus.

I urge all concerned, however, to keep in mind that if we draw out critical elements

of the decision-making process unnecessarily, we encourage the Soviets to delay in negotiations while continuing apace in their own weapons modernization programs.

To avoid this, I am seeking a clear show of support from Congress to signal U.S. resolve. A case in point is the clear necessity of approving funds promptly to procure Peacekeeper missiles. Working together, this should be achievable while simultaneously meeting our mutual desire to deal with deployment issues, whenever possible, in a careful, deliberate manner.

You have suggested that certain additional initiatives could be helpful in moving us toward our goals of security and stability at reduced levels of forces. One of the most prominent of these initiatives is the idea of a "guaranteed build-down."

The principle of a mutual build-down, if formulated and implemented flexibly, and negotiated within the context of our modified START proposal, would be a useful means to achieve the reductions that we all seek.

It would, if properly applied, reinforce our intent to cap the number of strategic ballistic missile warheads on both sides and to cause each side to reduce those levels steadily and substantially over time.

It could be implemented flexibly and with reasonable latitude for each side to balance the forces it deploys and reduces. Variable ratios as appropriate, would encourage more stabilizing rather than less stabilizing systems.

It could be implemented in conjunction with an agreed floor which, when reached, would trigger the suspension of the build-down rule, subject to renegotiation.

As you have acknowledged, any build-down concept must recognize the importance of strategic modernization and the necessity of maintaining a balance during the reduction process to deal with asymmetries in U.S. and Soviet forces. It would, of course, require agreement on effective verification measures, including counting rules

for all systems.

My Administration is currently examining the structure of a build-down proposal which would meet these criteria and would facilitate a START agreement embodying substantial reductions in nuclear forces. I will work with you and your colleagues to develop such a proposal.

Finally, I want to stress the extraordinary contribution made by the Scowcroft Commission. It provided an opportunity for non-partisan analysis of an exceptionally difficult issue as a prelude to obtaining necessary bi-partisan support for critically needed modernization of our strategic forces. While not prescribing the details or the timing, the Commission report suggested certain directions that the continued evolution of our complementary strategy for arms reduction could take. Over the short term, follow-on arrangements involving members of the Commission, as well as close coordination with the Congress, will be extremely helpful both technically and politically in thinking through this evolution. However, we are giving careful consideration to determining which follow-on arrangements best meet our common objectives.

In this regard, I do see merit in a panel with bi-partisan composition and with staggered terms of membership to provide advice and continuity in this area. I will work with the Congress, building upon the experience of the Scowcroft Commission, to strengthen and supplement our consultative and advisory processes to assure a lasting, national, bi-partisan consensus concerning arms control initiatives—a consensus which will deserve to be sustained from one Administration to the next.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Senators Charles H. Percy of Illinois, Sam Nunn of Georgia, and William S. Cohen of Maine.

Proclamation 5061—National Parkinson's Disease Week, 1983 May 12, 1983

*By the President of the United States
of America*

A Proclamation

Nearly half a million Americans suffer from Parkinson's disease, a progressive disorder of the nervous system. We know now that their symptoms of tremor and muscle stiffness are related to a chemical deficiency in the part of the brain that controls movement, but there is far more to learn about this disease.

Several drugs developed since World War II have enabled thousands of Parkinson's patients to function more fully. Rigorous research is still needed, however, to provide more information about this disease and to develop new and improved therapies. Scientists must continue to explore possible causes of Parkinson's disease and search for ways to prevent the disorder or lessen its effect.

Many of the scientists studying Parkinson's disease receive support from the Federal government through the National Institute of Neurological and Communicative Disorders and Stroke and privately through four voluntary organizations: the American Parkinson Disease Association, the National Parkinson Foundation, Inc., the Parkinson's Disease Foundation, and the United Parkinson Foundation. I commend these voluntary groups and the scientists who devote their efforts toward conquering this disease. I also

note the courage and resourcefulness of Parkinson's disease patients in overcoming their disorder and in helping other patients and families deal with the effects of this disease.

In order to emphasize the role of research in conquering Parkinson's disease and encourage continued private and Federal support of this research, the Congress, by Senate Joint Resolution 62, has designated the week beginning May 15, 1983 as "National Parkinson's Disease Week" and has authorized and requested the President to issue a proclamation in observance of that week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning May 15, 1983 as National Parkinson's Disease Week. I urge physicians, scientists, and government and private agencies concerned with Parkinson's disease to sponsor activities which will inform Americans about this illness and the need for continued research.

In Witness Whereof, I have hereunto set my hand this 12th. day of May, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:21 a.m., May 13, 1983]

Executive Order 12421—Presidential Commission on the Conduct of United States-Japan Relations May 12, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), and in order to create a Commission to develop recommen-

dations with respect to the conduct of relations between the United States and Japan, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the Presidential Commission on the Conduct of United States-Japan Rela-

tions. The Commission shall be composed of no more than eight members appointed or designated by the President from among citizens of the United States. The President shall designate a Chairman from among the members of the Commission.

(b) The members of this Commission will constitute the United States membership of the bi-national Advisory Group on United States-Japan Relations to be established by the two Governments.

Sec. 2. Functions. (a) The Commission shall develop recommendations with respect to the conduct of the United States-Japan relations. The Commission shall examine both the bilateral and multilateral dimensions of the relationship of the two countries with a view to identifying issues requiring resolution and opportunities for expanded cooperation, and make recommendations on ways by which the United States and Japan can better carry out their common responsibilities aimed at promoting world peace and prosperity.

(b) The Commission shall develop its recommendations within the framework of the Advisory Group on United States-Japan Relations. This Group will address the question of how the United States and Japan can better fulfill their long-term responsibilities for world peace and a healthy international economy, and how current issues of mutual concern affect those long-term prospects.

(c) To pursue its goals in connection with participation in the Advisory Group on United States-Japan Relations, the Commission may conduct studies, hearings, and meetings as it deems necessary; assemble and disseminate information, and issue reports and other publications; and coordinate, sponsor, or oversee projects, studies, events, and other activities it deems necessary or desirable.

(d) The Commission shall submit its recommendations to the President and the Secretary of State from time to time as it deems appropriate, but in any case shall submit its initial recommendations within

12 months after the Advisory Group on United States-Japan Relations formally has begun its deliberations, or before the date of termination of the Commission, whichever occurs earlier.

Sec. 3. Administration. (a) Members of the Commission shall serve without compensation for their work on the Commission. However, members appointed from among private citizens of the United States may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service (5 U.S.C. 5701-5707).

(b) The heads of Executive agencies shall, to the extent permitted by law, provide the Commission such information and advice on the conduct of United States-Japan relations as it may require for the purpose of carrying out its functions.

(c) The Department of State shall, to the extent permitted by law, provide the Commission with such administrative services, funds, facilities, staff and other support services, and pay such expenses as may be necessary for the effective performance of its functions.

Sec. 4. General. (a) Notwithstanding any other Executive Order, the functions of the President under the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), which are applicable to the Commission, except that of reporting annually to the Congress, shall be performed by the Secretary of State in accordance with guidelines and procedures established by the Administrator of General Services.

(b) The Commission shall terminate one year from this date.

RONALD REAGAN

The White House,
May 12, 1983.

[Filed with the Office of the Federal Register, 10:22 a.m., May 13, 1983]

Appointment of Seven Members of the Presidential Commission on the Conduct of United States-Japan Relations, and Designation of Chairman

May 12, 1983

The President today announced his intention to appoint the following individuals to be members of the Presidential Commission on the Conduct of United States-Japan Relations:

David Packard will serve as Chairman. He is currently serving as chairman of the board of Hewlett-Packard Corp. He is married, has four children, and resides in Los Altos Hills, Calif. Mr. Packard was born September 7, 1912, in Pueblo, Colo.

Donald H. Rumsfeld is president and chief executive officer of G. D. Searle and Co. He is married, has three children, and resides in Winnetka, Ill. Mr. Rumsfeld was born July 7, 1932, in Chicago, Ill.

James F. Bere is chairman of the board and chief executive officer of Borg-Warner Corp. He is married, has five children, and resides in Hinsdale, Ill. Mr. Bere was born July 25, 1922, in Chicago, Ill.

Daryl Arnold is president of the Western Growers Association. He is married, has three children, and resides in Corona Del Mar, Calif. Mr. Arnold was born November 12, 1924, in Los Angeles, Calif.

Douglas A. Fraser is president of the United Auto Workers. He is married, has two children, and resides in Detroit, Mich. Mr. Fraser was born December 18, 1916, in Glasgow, Scotland.

James D. Hodgson is retired. He served as United States Ambassador to Japan from 1974 to 1977. He is married, has two children, and resides in Beverly Hills, Calif. Mr. Hodgson was born on December 3, 1915, in Dawson, Minn.

William Evan Timmons is president of Timmons & Co. He also serves as a member of the advisory board for the Center for Strategic and International Studies. In 1973 he was a United States Delegate to the Vietnam Peace Conference in Paris. He is married, has three children, and resides in Bethesda, Md. Mr. Timmons was born December 27, 1930, in Chattanooga, Tenn.

Remarks at a Republican Fundraising Dinner for Congressional Campaign Committees

May 12, 1983

Thank you, Guy Vander Jagt. And thank all of you for doing what you were just doing long enough for me to swallow the lump in my throat. Nancy and I are honored to be here with you distinguished ladies and gentlemen this evening.

And please forgive me, but as I was waiting here and listening to you, and listening to the great Ernie Banks, I felt a little like the fellow that bats last for the Chicago Cubs. [Laughter] But that's all right. I'm a lifelong Cubs fan. I used to broadcast the Chicago Cubs games. And, Ernie, I was broadcasting that 21-game winning streak, which has never been matched in the history of baseball. But if I can wait all these years for them to win another pennant, you

better believe I can wait a few minutes to pay tribute to each of you on this beautiful spring evening.

Of course, the real sign of spring is our national pastime—nine guys galloping out on the field: the Democratic Presidential candidates. [Laughter] No runs, no hits, just errors. [Laughter]

You know, the more things change, the more they seem the same. Every time I see my dear friend, Jim Brady, it seems that the Cubs have lost another game, and that's bad news; but every time I see Jim, he's looking better and better, and that's good news.

But may I just say something you've made me feel at this dinner—anyone who believes the Republican Party has reached

its peak is making a big mistake. If you maintain the support, enthusiasm, and commitment you've shown this evening, then this Grand Old Party can reach the farthest stars and score a tremendous victory on election night in November 1984.

It happens to be a fact that we don't just have good people on our side; we have the best people. We have a man who only 1 week after leaving his government post to accept a top job in private industry didn't hesitate a second when asked to organize this dinner, as you've been told. You know, of course, I'm talking about Drew Lewis and what a great job he always does.

And can anyone here imagine two more dedicated, talented, and determined leaders for our congressional and Senatorial committees than Guy Vander Jagt and Dick Lugar.

And let me repeat what I could never say often enough: When I needed someone of unquestionable leadership, loyalty, and skill, there's only one person I could or would choose again, and that's my partner and your Vice President, George Bush.

I believe we have an important message. With the support of the people, we come to the rescue of a nation whose house was on fire. We put out the flames, and brick by brick we're rebuilding a foundation of strength, safety, and security for America. We've made our share of mistakes. We'll have many problems to solve. But you gave us the courage to take action when those before us had refused again and again and again.

Teddy Roosevelt said, "Far better it is to dare mighty things, even though checkered by failure, than to take rank with those poor spirits who neither enjoy much nor suffer much because they live in the grey twilight that knows not victory or defeat."

Our opponents oppose our budget savings. They opposed our tax cuts. And they complain that all their special interests have been treated unfairly. Well, let them deny and oppose and complain, because we can remind the people—those who saddled this nation with double-digit inflation; 21½-percent interest rates, the highest in more than 100 years; and the worst tax burden in our peacetime history—they're the last people who should be giving sermons about fair-

ness and compassion.

If inflation had continued at the 12.4-percent rate of their last year in office, a family of four on a fixed income of \$20,000 would be \$1,700 poorer in purchasing power today. If their tax increases had stayed on the books and our tax cuts had not been passed, a median-income family of four would be paying \$700 more in Federal income taxes this year.

Now, that doesn't sound like fairness to me, and it sure isn't compassion. I said we still have a long way to go, but take a look at how far we've come in this short time by sticking together.

Inflation has been cut by two-thirds. The prime rate has been cut in half. Personal tax rates have been cut for the first time in two decades. Estate taxes on family farms and businesses have been cut sharply. Real wages are improving for the first time since 1978. The rate of personal saving and productivity have reversed their declines. Venture capital investments have reached record levels. The stock market has awakened from a decade of disappointment and surged into new record ground. Sunrise industries are springing up like jack rabbits. Production in autos, housing, and steel is gaining strength, and more workers are being called back each month. And you ain't heard nothing yet. *[Laughter]*

Isn't it time for Republicans to stand shoulder to shoulder and tell our critics, "If you won't work with us, if you can't cooperate and help to keep America moving forward, then stand aside, get out of the way, and let us get on with it."

You know, I get kidded about this, but I keep wondering—now that our program is doing what we said it would, how come our critics don't call it Reaganomics anymore? *[Laughter]* That was their name for our program when they were sure it wouldn't work. To tell you the truth, I never liked it. In my mind, it's always been the People's Program. And now that it seems to be working, our opponents want to change it. Well, let there be no confusion on one point. I will veto any attempt to tamper with or take away the third year of the people's income tax cut or indexing.

And the other day I was handed two let-

ters—one from the House of Representatives and one from the Senate. And each of those letters was signed by enough good Republican Members of the House and of the Senate to guarantee upholding a veto that I would put on any attempt to tamper with those tax reductions.

Indexing is an historic reform. It protects low- and middle-income families from being pushed by inflation into higher income tax brackets. Indexing is the very essence of fairness and compassion. Seventy-eight percent of the benefits go to low- and middle-income earners. So, we have a right to ask the Democrats, and we should ask them, "Why are you falling all over each other to push working families and small business people into tax brackets once reserved for millionaires?" We don't need new tax increases. We need to control spending.

Incidentally, of the third income tax cut that comes due on July 1st, 72 percent of that will go to the low- and middle-income earners in our country. And yet, today I saw where there was a poll in which the—our opponents are hailing this poll—that says that tax cut's only going to benefit the rich.

This is Small Business Week. And we should remember that small business is on the cutting edge of innovation and job creation in America. The 2.7 million new jobs added in 1980 and '81, some 60 percent were in firms of less than 500 employees. Eighty-five percent of all U.S. firms pay their taxes by personal rates, not by the corporate rate. So, let us spell out what this means in terms of jobs. The Democratic plan to eliminate the third year of the tax cut or the indexing provision amounts to an enormous tax increase on the most important employers of America—the small business community. The Democratic tax increases are not a jobs creation program. Their tax increases are a jobs elimination program, and America doesn't need any more progress of that kind.

Increasingly, we see evidence that the ideas and vision of our party which we brought to Washington are shared by the great majority of our citizens. During the years when Federal spending on education grew and grew, and the government elbowed aside the traditional role of parents, we saw the SAT scores steadily decline. We

said the answer was not Washington knows best, but a return to the basics: more competition, more emphasis on high standards, quality instruction, student discipline, and a restoration of parental involvement and local control. Now, after 18 months of preparation, a blue-ribbon commission on excellence in education has issued a report that says exactly what we had been saying.

Let me interject here to say there's one area where the Federal Government has clearly neglected its responsibility, and that is in national defense. The debate on defense is about more than dollars and deficits and rooting out waste, as important as they are. The central issue is about protecting human lives and preserving freedom and democracy, because they're the source of all our other blessings. I believe what occurred in the last decade when the Soviets raced ahead militarily and we stood still was dreadfully wrong. I believe it is not just immoral but unforgivable to ask the sons and daughters of America to protect this country with aging equipment and bargain-basement weapons. We can only keep our families safe and our country at peace when the enemies of democracy know that America has the courage to stay strong. And we intend to see that they know that.

A Senator from Massachusetts—his name escapes me for the moment—[laughter]—criticizes our administration for being, as he puts it, "too concerned with preparing for war." But, what George Washington warned in 1790 holds true today: "Being prepared for war is one of the best ways of preserving the peace." And peace through strength is our goal.

Senior officials from three previous administrations and leading Republicans and Democrats across the country have joined our call to build and deploy the MX Peace-keeper and the small, single-warhead missile that's been nicknamed Midgetman, but not so we can fight a war. They want to build and deploy those missiles so America can secure deep arms reductions and preserve the peace. And just before coming over here the phone rang tonight, and I learned that out of the Senate Appropriations Committee came the money for the MX missile by a 17-to-11 vote.

During the past decade the U.S.S.R. improved, developed, or deployed almost a dozen new strategic systems, while the United States virtually stood still. The Soviets will have no incentive to negotiate arms reductions if we unilaterally disarm. For the sake of America, and all we hold dear, I'm asking all responsible Democrats and Republicans to join together now to endorse the Scowcroft commission's recommendations for the Peacekeeper, the small, single-warhead missile, and the renewed efforts toward arms reduction.

We're doing everything we can to ensure the United States will be safer, stronger, and more secure today—both economically and militarily—than before. And let us remain united and true to our vision of progress, a vision that begins with your families, churches, schools, and neighborhoods. We don't ask the people to trust us. We say, "Trust yourselves. Trust your values." And working together, we'll make America

great again.

Some of our opponents are only comfortable trusting government. Their solutions would bring us back full circle to the source of our economic problems, with the government deciding that it knows better than you what should be done with your earnings and how you should live your life. Our road is bold and filled with hope and opportunity. Their road is timid and relies on fear and envy. So, we have a great message for the people. And, with the allout support that I know you'll continue to give, we'll get that message across, and Republicans will celebrate a magnificent victory in 1984.

God bless all of you. Thank you.

Note: The President spoke at approximately 10 p.m. in the International Ballroom at the Washington Hilton Hotel.

Earlier, at the White House, the President attended a reception for fundraisers for the dinner.

Appointment of Jimmy D. Ross as the Department of the Army Member of the Committee for Purchase From the Blind and Other Severely Handicapped

May 13, 1983

The President today announced his intention to appoint Brig. Gen. Jimmy D. Ross, United States Army, to be the Department of the Army member of the Committee for Purchase from the Blind and Other Severely Handicapped. He will succeed Brig. Gen. Francis J. Toner.

He is currently serving as Director of Transportation, Energy and Troop Support, in the Office of the Deputy Chief of Staff for Logistics, Department of the Army. Previously he was Commander, 2d Support Command (Corps), United States Army

Europe, in 1980–1982; Commander, 4th Transportation Brigade, United States Army Europe, in 1978–1980; Commander, Military Ocean Terminal, Bay Area, Oakland, Calif., in 1976–1978; and Comptroller, Military Traffic Management Command, Western Area, Oakland, Calif., in 1975–1976.

General Ross graduated from Henderson State University (B.S.E., 1958) and Central Michigan University (M.A., 1975). He is married, has three children, and resides in Burke, Va. He was born May 23, 1936, in Hosston, La.

Nomination of Delbert L. Spurlock, Jr., To Be an Assistant Secretary of the Army

May 13, 1983

The President today announced his intention to nominate Delbert L. Spurlock, Jr., to be an Assistant Secretary of the Army (Manpower and Reserve Affairs). He would succeed Harry N. Walters.

Since 1980 Mr. Spurlock has been serving as General Counsel at the Department of the Army. Previously he was an attorney with the firm of Spurlock & Thatch, Sacramento, Calif., in 1977–1980; chief, conflicts

and interest division, California Fair Political Practices Commission, in 1975–1977; and acting professor of law at the University of California at Davis in 1972–1975.

Mr. Spurlock graduated from Oberlin College (B.A., 1963), Howard University (LL.B., 1967), and George Washington University (LL.M., 1972). He is married, has two children, and resides in Reston, Va. He was born April 3, 1941.

Question-and-Answer Session With Reporters on the Fiscal Year 1984 Budget

May 13, 1983

Q. What about the budget?

Q. Are you disappointed about Syria? Do you think they're going to come around?

The President. Well, I'm going to continue to hope that they will. We're still working on that.

Q. What about the budget?

The President. What about the budget? Well, I hope that both Houses of the Congress will take a look at the economic news and finally admit that something we've been doing is right. Today, the news on productivity: The factories or the industries have been producing more than they have in 8 years. And at the same time, the Wholesale Price Index did not just be a reduction in inflation, it was actually deflation, and wholesale prices went down. And, as I say, I hope that instead of this digging in their heels and resisting on some of the things that we've asked—

Q. They say you're digging in your heels. Is it true, sir, you'd rather have no budget resolution than some with taxes?

The President. Well, the budget resolution is meaningless to them. They've never abided by it. It isn't binding on them. But I would rather see them show and demonstrate to the business and industrial and financial communities that they are willing to

be responsible, and can proceed with the cutting of government spending, and recognize that the tax cuts so far have been the incentive that has brought about this economic recovery.

Q. Are you willing to compromise on the budget?

The President. I have compromised for 2 years now. If they had given us the cuts we asked for up until now, the deficit would be \$41 billion less than it is.

Q. You don't sound like you're ready to compromise anymore.

The President. I am prepared to be reasonable.

Q. What about taxes?

The President. As I say, I don't think at this stage of a recovery that increasing taxes can do anything except hinder the recovery.

Q. But what if they send you some appropriations bills or some revenue bills that, in fact, increase taxes?

The President. Well, then, as I say, I sleep with a pen under my pillow, prepared to veto.

Q. How is Mrs. Reagan?

Q. Thank you, Mr. President.

Note: The exchange began at 3:35 p.m. on the South Lawn of the White House as the President was departing for a weekend stay at Camp David, Md.

Radio Address to the Nation on Small Business May 14, 1983

My fellow Americans:

This is the last day of Small Business Week, so I'd like to mark the occasion by speaking about the importance of entrepreneurs and how we're trying to help them.

When you think about it, every week should be Small Business Week, because America *is* small business. Small firms account for nearly half our jobs; they create some 60 percent of new jobs; and they're on the cutting edge of innovation, providing products and ideas for the future. Everything from ballpoint pens to FM-radios, automatic transmissions and helicopters was conceived in the minds of entrepreneurs—men and women who had the spirit to dream impossible dreams, take great risks, and work long hours to make their dreams come true.

In his book, "Wealth And Poverty," George Gilder wrote, "... most successful entrepreneurs contribute far more to society than they ever recover. And most of them win no riches at all. They are the heroes of economic life. And those who begrudge them their rewards demonstrate a failure to understand their role and their promise." Well, he's right. Too often, entrepreneurs are forgotten heroes. We rarely hear about them. But look into the heart of America, and you'll see them. They're the owners of that store down the street, the faithfuls who support our churches, schools, and communities, the brave people everywhere who produce our goods, feed a hungry world, and keep our homes and families warm while they invest in the future to build a better America.

That word "invest" helps explain why entrepreneurs are a special breed. When small business people invest their money, they have no guarantee of a profit. They're motivated by self-interest. But that alone won't do the trick. Success comes when they can

anticipate and deliver what you, the consumer, wants, and do it in a way that satisfies you. As Gilder points out, entrepreneurs intuitively understand one of the world's best kept secrets: Capitalism begins with giving. And capitalism works best and creates the greatest wealth and human progress for all when it follows the teachings of scripture: Give and you will be given unto . . . search and you will find . . . cast your bread upon the waters and it will return to you manyfold.

In the Parable of the Talents, the man who invests and multiplies his money is praised. But the rich who hoard their wealth are rebuked in scripture. True wealth is not measured in things like money or oil, but in the treasures of the mind and spirit. Oil was worthless until entrepreneurs with ideas and the freedom and faith to take risks managed to locate it, extract it, and put it to work for humanity. We can find more oil and we can develop abundant supplies of new forms of energy if we encourage risktaking by thousands and thousands of entrepreneurs, not rely on government to hoard, ration, and control. The whole idea is to trust the people. Countries that don't, like the U.S.S.R. and Cuba, will never prosper.

Entrepreneurs have always been leaders in America. They led the rebellion against excessive taxation and regulation. They and their offspring pushed back the frontier, transforming the wilderness into a land of plenty. Their knowledge and contributions have sustained us in wartime, brought us out of recessions, carried our astronauts to the Moon, and led American industry to new frontiers of high technology.

We came to Washington confident that this small business spirit could make America well and get our economy moving again. Well, it's working. And we want to keep on

using that special principle of giving by putting America's destiny back into the people's hands, providing you new incentives to save, invest, and take risks, so more wealth will be created at every level of our society.

We know small business is ready. That group fared better during the recent recession, laid off less workers than big business, and will recover faster. Over the last 2 years, you heard about the high rate of small business failures. You heard about it over and over again. What you didn't hear very often was that in 1981 a record 580,000 new businesses were formed. And 560,000 new enterprises were begun in 1982. They're the seeds of lasting recovery.

I think America's witnessing a renaissance in enterprise, and it's being nurtured by victories we've won—for example, reducing the regulatory burden; knocking down the rate of inflation by more than two-thirds; cutting more than in half the record 21½-percent prime interest rate we inherited; passing a Small Business Innovation Development Act to direct millions of dollars in research funds to high-tech firms; passing the Prompt Payments Act to assure that small businesses dealing with the Federal Government get paid promptly; and, most important, providing solid incentives for new investment and risk-taking by cutting personal tax rates, shortening depreciating

schedules, and sharply reducing estate taxes on family-owned businesses and farms.

At least 85 percent of the 13 million small firms in America pay their taxes by personal rates, not by corporate rates. These firms will provide most of the new jobs to bring down unemployment. Any action that tampers with the third year of the tax cut or the indexing provision, which protects you from being pushed by inflation into higher tax brackets, would harm small business and send unemployment up, not down. That's why I must and I will veto any attack on the tax incentives. They belong to you, the people. They're not the government's to take away.

If the Congress wants to help us spur small business growth and jobs in depressed regions, it should pass our enterprise zones proposal. This could provide genuine opportunity for those in need. So, we hope there'll be no further delay.

Governments don't reduce deficits by raising taxes on the people. Governments reduce deficits by controlling spending and stimulating new wealth, wealth from investments of brave people with hope for the future, trust in their fellow man, and faith in God.

Till next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Remarks at a Meeting of the National Association of Home Builders May 16, 1983

The President. Thank you, Harry, and thank you all for a very warm welcome.

You know, I've said on occasion out on the mashed-potato circuit that it's always important to see if you can't find something that aligns you with the audience or that you have in common that would kind of justify your being there. Well, the first summer job that I ever had, I was 14 years old, and I was hired by an outfit that had bought a number of rundown houses and was remodeling them and making them

into new houses. I don't think under some of the rules and regulations that this could happen today, but before the summer was over, I'd laid hardwood floor, I'd shingled roof, I'd painted.

But I do remember that one day, along toward noon, I was using a pick, doing some pick-and-shovel work. And I had that pick right up for another blow when the whistle blew. And I just loosened the handle and stepped out from underneath it. [*Laughter*] And right behind me, I heard some rather

profane language, and I turned around, and the boss was right behind me, and the pick was stuck right between his two feet. [Laughter] Another lesson I learned: If you've got the pick up there, swing it. [Laughter]

Well, I consider it a great privilege to be here with you today, for America's home builders are the heroes of today's economy. You and your industry have just struggled through your toughest, most painful time since the Great Depression; and you did it without bailouts, boondoggles, or big brother. And here you are today leading America's economic recovery by the strength of your nerve and the sweat of your brow.

You've stood by us as we've sought to reform the spending and taxing excesses that threatened to destroy the American dream. You've worked with us in our effort to cut back on the bureaucracy, regulations, and redtape that have been strangling the marketplace. You've believed in our principles and our people, knowing that, given a chance and some common sense in Washington, our country and the economy can and will be great again.

On behalf of the millions of your fellow countrymen now free from the ravages of soaring inflation and skyrocketing interest rates, I thank you. You've done and are doing so much already, I only hope we can continue to count on the National Association of Home Builders in the critical months ahead.

Together, we've accomplished much. But much still remains to be done to ensure that our recovery is both strong and lasting. These are days of great hope for your industry and all our people. But the Congress must work with us to do what is right and necessary if we're to keep those hopes from being dashed on the rocks of partisanship and runaway government spending.

If the Congress can summon the discipline needed to rein in the budget monster, we can have the kind of hale and hearty recovery that could become a way of life again, instead of just another blip on the boom and bust roller coaster of the past.

You know what's happening. Inflation, when we took office, was at 12.4 percent. For the last 6 months, it's running at an annual rate of only one-half of 1 percent.

The prime rate, once as high as 21½ percent, is down to less than half what it was, and we intend to get it lower still. Mortgage rates, which peaked at 18½ percent the month our economic program started—and some said it was because they'd started—now average less than 13 percent, and we're going to do still better. Just last week we dropped the interest rate ceiling on VA and FHA financing to 11½ percent—the lowest rate in nearly 3 years.

Now, I don't have to tell you what kind of relief those kinds of numbers are bringing to your industry, or what they mean to American families. Our policies are based on the essential right to private property. And in private property, nothing is more important than home ownership.

In October of 1981, just before the pillars of our economic recovery package were put in place, a family needed an income of \$43,000 to afford a \$60,000 mortgage. Today, a family can afford that same mortgage with an income of \$31,000 per year. So, millions more Americans are finding it possible to own their own homes. One indication of this is the surge in FHA loan applications. For the last 6 months, an average of 78,000 families applied for FHA mortgages, compared to 23,000 per month last year. That's an increase of more than 200 percent.

As you may recall, in December, I proposed increasing the limit of FHA mortgage insurance by \$6.1 billion, and the Congress quickly approved. Well, because of our success in reducing inflation and interest rates, it now appears that this higher ceiling will not be enough. I soon will ask the Congress to provide another \$5 billion for FHA mortgage insurance. And that will be for the balance of 1983, and I will urge them to act quickly on this request. These FHA increases will complement the rebound in housing activity and will accommodate homeowners who want to refinance their homes at the lower mortgage rates.

Our administration is also, with the help and support of the N.A.H.B., taking important steps to increase cooperation between the FHA and the private sector, especially in the area of deregulation. We're delegating FHA processing to lenders, which will

save weeks of waiting, and we're revising minimum property standards, lifting the overlay of Federal requirements and deferring to local codes for single and multi-family dwellings. That should help make housing more affordable. Other steps include removing FHA rent controls for unsubsidized multifamily projects, streamlining environmental regulations, relaxing regulations on retirement communities, and accepting more local government certification for land development.

We think America's builders spend too much time filling out forms and waiting for the wheels of bureaucracy to turn. We're determined to bring you relief.

Perhaps the most exciting program that we've begun is the Joint Venture for Affordable Housing. Spearheaded by Secretary Pierce and you in the N.A.H.B., that experiment is proving home prices can be brought down when industry and local governments cooperate. Unnecessary building and zoning regulations often add to the cost of housing by preventing the use of innovative building and land development techniques. Our goal is for industry and government to determine which requirements can be set aside without harming health, safety, or quality of life.

As we begin the new building season, we can see that our initiatives and success with the economy are having an effect. Construction permits for the past few months are up 75 percent over last year, near the one-and-a-half million mark. New housing starts have been running at an annual rate of 1.7 million units. That's up 82 percent. Each new housing start means more construction workers hired, more materials ordered. Each new home completed means more purchases in furniture, appliances, floor coverings, and the like. Streets must be built, sewers laid, and utilities connected, and all that means more jobs.

We estimate that [for] every 100,000 new single-family homes, 64,000 construction jobs are created. About 78,000 jobs are stimulated in related industries like manufacturing, wholesale trade, transportation, services, mining, forest products, and others. That makes a grand total of 142,000 jobs. If housing starts continue at the rate they are running, by the end of the year it

would mean some 2 million construction and construction-related jobs, and some \$41 billion in wages. Yes, I think it's safe to say we all have a stake in your success. And that's why the recent upsurge in housing is good news for all Americans.

But there remains one threat to the prosperity that you've risked so much and worked so hard to achieve—those deficits looming on the horizon. Now, there's a lot of moaning about deficits up on Capitol Hill, a lot of confusing talk about where they come from, and even some argument about how important they are. Well, let there be no mistake about that: Deficits do matter. Deficit spending represents one of the most alarming dangers to our Republic and to the prosperity of our people.

Deficit spending spurs inflation and crowds the private sector out of the credit market. This, in turn, could squeeze up interest rates like toothpaste through the tube. Deficit spending and budget-busting bailouts are no solution. If we're to have long term improvement in interest rates, the Congress needs to join in a bipartisan effort to cut irresponsible spending.

Now, working together, we can and must reduce these intolerable budget deficits that have haunted us for so many years. But while there's a lot of talk about reducing deficits these days, I can't see much evidence that very many people are really serious about it. The root cause of deficits is runaway government. Yet, most of the deficit-reduction proposals I've seen would simply raise taxes and balloon spending. When you clear away the rhetoric, the issue is quite simple: Deficits are the symptom; the disease is uncontrolled spending; and the cause is an addiction to big government.

Let me put it in more human terms. You and your spouse probably sit around the kitchen table sometimes, periodically, to go over your budget. If you realize that you're coming up short every month, do you decide to go out and make more purchases to get out of debt? Well, that's what some people in the Congress are proposing. They've got a credit card that's run out of credit and are asking the American people to raise the limit. But we must answer with

one word—an overwhelming, unequivocal “no.”

In 1982 the Congress promised \$3 in budget savings for every additional dollar in revenue that we agreed to. And so I swallowed hard and reluctantly went along with a tax reform package last year that would raise about \$100 billion over a 3-year period. And guess what happened? They aren't keeping their pledge to reduce spending by the \$300 billion over the same period. Indeed, they are urging added spending that will further increase the deficits.

We should know by now, from painful experience, that simply raising taxes is not the answer to our problem. Tax revenue doubled between 1976 and 1981, yet during the same period the government ran record deficits. We jumped off the spend-and-spend, tax-and-tax merry-go-round, which resulted in back-to-back years of double-digit inflation, the highest interest rates in 100 years, and an American home-building industry knocked to its knees. Washington's idea of business as usual just about drove you out of business. And we must never allow them to do that to you again.

Yes, the deficit doctors have their scalpels out all right, but they're not poised over the budget. That's as fat as ever and getting fatter. What they're ready to operate on is your wallet. [Laughter] And right now, they're eyeing tax hike numbers that may seem painless because they're so vague. But I'd like to read you a list of specific revenue proposals considered by the Democratic Study Group in the House. They're entitled: “Revenue Options for Fiscal Year 1984.”

The proposals include reducing the deficit by capping the mortgage interest deduction. How does that sound?

Audience. No! Boo! No!

The President. How about taxing 10 percent of capital gains on home sales?

Audience. No!

The President. Lengthening the building depreciation period to 20 years?—

Audience. No!

The President. —eliminating tax credits for rehabilitating older buildings, and eliminating capital gains treatment for timber? I don't have to tell you—you've told me—

what kind of legislative agenda, what that would do to your industry and to America's homeowners. If you'd enjoy that, you'd love getting hit on the head with two-by-four. [Laughter]

You don't deserve to be on anyone's enemy list. Yet those ideas have been advanced in the Congress as serious alternatives to finance more spending. Other proposals would be just as devastating to other vital industries. Another suggestion is to repeal the third year of the tax cut and indexing. But repeal of those two measures would result in a massive, \$273 billion tax increase during the next 6 years. And that would be the unkindest hike of all, because about three-quarters of that burden would fall on the lower- and middle-income taxpayers.

Indexing, especially, is a blessing for average, working families who are pushed into higher and higher tax brackets by inflation. Tax brackets are most narrow at the lower end of the scale, where inflation once worked its darkest deeds. You see, government more than kept up with inflation. It actually made a profit from it. When workers got cost-of-living raises, government often bumped them into higher tax brackets, taking larger and larger bites from their paychecks. For every 10-percent rise in prices and wages, the individual tax burden went up by 17 percent. Government now clears 7 percent in real revenue growth due to inflation-induced bracket creep, which indexing will offset.

And if anyone here thinks the extra revenue has gone to reduce the national debt, please raise your hand. [Laughter] No, government has continued to spend every dollar it could rake in and then some. And that's how, with inflation at historic levels in the late seventies, everything went haywire. The Federal Government became America's largest growth industry, and recession became inevitable. The indexing provision that we passed in 1981 will end government's hidden profit on inflation. To repeal or delay it now would once again give the Congress an incentive to fire up inflation so that it can continue to spend and spend and spend. Well, we cannot and will not let that happen.

Yes, we need to bring down the deficit, and, yes, we've proposed a way to do that. But there are some who apparently think the American people, and you in the home-building industry, have caused the current deficit. They think you don't pay enough taxes. You've been tried and found guilty of not contributing enough of your wages and profits to the government. The sentence they want to impose is a lifetime of higher and higher taxes. Well, I say you're not guilty.

And I've got a news flash: The Federal Government did not run up a trillion dollar debt because it failed to tax enough. We're saddled with a trillion-dollar debt because the government spent too much.

Now, what we don't need is more reckless spending and what we don't need is more taxes. And I ask for your help again this year in making that message clear. We must reduce deficits, but we will not abide any attempt to repeal, rescind, or delay tax indexing or the final installment of the tax cut.

Now, this battle is not between Republicans and Democrats. It must not be, for it'll take all of us, working together in a bipartisan spirit, to ensure a strong, lasting recovery. But let us recognize that we're engaged in a struggle between the proponents of big government and the vast majority of Americans who put their faith in our basic values and our free system of democratic capitalism.

I appeal to you today, not just as home-builders, but as men and women who have bet their livelihoods on small business and the American dream. Your membership is filled with people who started with nothing more than an idea and the intestinal fortitude to make it work. Gary Kramlich, for example, founded his company 20 years ago with \$345. He built one house in 1964, five more in 1965, and by 1975 was putting up more than 100 a year. He's now the largest builder in North Dakota. Clarence Buerman started building houses with his father about 25 years ago in Albany, Minnesota. He's now the owner of a housing manufacturing plant with more than 30 dealerships in four States. And your first vice president, Pete Herder, was a football and wrestling coach 25 years ago, when he and his wife

decided to go into construction—saving money by living in unfinished houses while they were building them. And now he's building 250 units a year. I could go on and on, because probably almost all of you, your stories are similar to those.

Small business men and women like yourselves are the risk-takers in America. Who better to explain [to] Washington's political elite that America's prosperity was never a gift from government or anyone else. It was earned with imagination, invention, and backbreaking labor. Free enterprise, not government, is the source from which our prosperity has flowed, and we will settle for nothing less than policies that will restore it.

Send away the handwringers and doubting Thomases and bring on the capitalists and entrepreneurs. Once again free enterprise is breathing life into our economy and we will not tolerate a return to the old ways of profligate spending and taxing that threatened to snuff it out.

I've relied on your support in the past, and on behalf of all those in America who yearn for the day when we can balance the Federal budget, I'm calling on you again. Make sure your Senators and Congressmen understand you know where deficits come from. Every dollar in those deficits was voted into law through one spending bill or another, and it's got to stop. We're not even asking to cut spending below current levels; we just propose slowing the rate of increase to a saner level. And, while you're at it, explain to your Representatives that your families, businesses, and employees already pay enough taxes.

Above all, call on them to put aside partisan politics and join together in a common crusade to fulfill the will of the American people—to limit the size, scope, and interference of the Federal Government. Our economic policies have begun to work because they're based on good, old-fashioned common sense. They're founded on solid, time-tested economic principles that have produced prosperity in this country every time we've tried them. And, lo and behold, once they've got America on the mend.

Two years ago, with your help, we built a bipartisan consensus around our program for economic recovery, and the Congress

passed its basic reforms. Our task today is to hold the Congress to its words so we can keep our recovery on track and restore the American dream. And together, I know we can do it.

Thank you very much, and God bless you all.

Note: The President spoke at 11:15 a.m. in the International Ballroom at the Washington Hilton Hotel. He was introduced by Harry Pryde, president of the National Association of Home Builders.

Nomination of John J. O'Donnell To Be an Assistant Secretary of Labor

May 16, 1983

The President today announced his intention to nominate John J. O'Donnell to be an Assistant Secretary of Labor (Legislative Affairs). He would succeed Donald Elisburg.

Since 1979 he has been serving as vice president of the Executive Council of the AFL-CIO. He has been with Eastern Airlines, Inc., since 1956 and is currently on leave of absence. He was president of the Air Line Pilots Association in 1971-1982.

Captain O'Donnell served in the United States Navy (1942-1946) and the United States Air Force (1950-1951). He was with the United States Air Force Cambridge Research Facility at the Massachusetts Institute of Technology in 1952-1956.

He is married and resides in Washington, D.C. He was born January 14, 1925, in Lowell, Mass.

Nomination of Five Members of the Board for International Broadcasting

May 16, 1983

The President today announced his intention to nominate the following individuals to be members of the Board for International Broadcasting:

Malcolm Forbes, Jr., for a term expiring April 28, 1986. He would succeed Mark Goode. Mr. Forbes is president of Forbes Magazine in New York City. He is married, has four children, and resides in Bedminster, N.J. He was born July 18, 1947.

Clair W. Burgener, for a term expiring April 28, 1985. This is a new position. He is a former U.S. Congressman from California. He is president of Burgener Properties in San Diego, Calif. He is married, has two children, and resides in La Jolla, Calif. He was born December

5, 1921.

Joseph Lane Kirkland, for a term expiring April 28, 1984. This is a new position. Mr. Kirkland is president of the AFL-CIO in Washington, D.C. He is married, has five children, and resides in Washington. He was born March 12, 1922.

Arch L. Madsen, for a term expiring April 28, 1984. This is a new position. He is president of Bonneville International Corp. in Salt Lake City, Utah. He is married, has five children, and resides in Salt Lake City. He was born December 4, 1913.

James Albert Michener, for a term expiring April 28, 1984. This is a new position. Mr. Michener is a writer. He is married and resides in Pipersville, Pa. He was born February 3, 1907.

Announcement of United States Government Support for Private Sector Commercial Operations of Expendable Launch Vehicles

May 16, 1983

The President today announced that the U.S. Government fully endorses and will facilitate commercial operations of Expendable Launch Vehicles (ELV's) by the U.S. private sector. This policy applies to both those ELV's previously developed for U.S. Government use, as well as new space launch systems developed specifically for commercial applications. This policy is consistent with the President's National Space Policy and represents a positive step toward encouraging U.S. private sector investment and involvement in civil space activities.

The basic goals of U.S. space launch policy as stated in the President's Directive on Commercialization of Expendable Launch Vehicles are to: (a) ensure a flexible and robust U.S. launch posture to maintain space transportation leadership; (b) optimize the management and operation of the Space Transportation System (STS) program to achieve routine, cost-effective access to space; (c) exploit the unique attributes of the STS to enhance the capabilities of the U.S. space program; and (d) encourage the U.S. private sector development of commercial launch operations. The policy specifies that:

- The U.S. Government fully endorses and will facilitate the commercialization of U.S. Expendable Launch Vehicles (ELV's).
- The U.S. Government will license, supervise, and/or regulate U.S. commercial ELV operations only to the extent required to meet its national and international obligations and to ensure public safety. Commercial ELV operators must comply with applicable international, national, and local laws and regulations including security, safety, and environmental requirements.
- The U.S. Government encourages the use of its national ranges for U.S. commercial ELV operations. Commercial launch operations conducted from a U.S. Government national range will, at a minimum, be subject to existing U.S. Government range regulations and requirements. Consistent with its needs and requirements, the U.S.

Government will identify and make available, on a reimbursable basis, facilities, equipment, tooling, and services that are required to support the production and operation of U.S. commercial ELV's.

- The U.S. Government will have priority use of U.S. Government facilities and support services to meet national security and critical mission requirements. The U.S. Government will make all reasonable efforts to minimize impacts on commercial operations.

- The U.S. Government will not subsidize the commercialization of ELV's but will price the use of its facilities, equipment, and services consistent with the goal of encouraging viable commercial ELV launch activities.

- The U.S. Government will encourage free market competition among the various systems and concepts within the U.S. private sector. The U.S. Government will provide equitable treatment for all commercial launch operators for the sale or lease of government equipment and facilities consistent with its economic, foreign policy, and national security interests.

- The U.S. Government will review and approve any proposed commercial launch facility and range as well as subsequent operations conducted therefrom. Near-term demonstration or test flights of commercial launch vehicles conducted from other than a U.S. Government national range will be reviewed and approved on a case-by-case basis using existing licensing authority and procedures.

Notwithstanding the U.S. Government policy to encourage and facilitate private sector ELV entry into the space launch market, the U.S. Government will continue to make the space shuttle available for all authorized users—domestic and foreign, commercial and governmental—subject to U.S. Government needs and priorities. Through FY 1988, the price of STS flights will be maintained in accordance with the currently established NASA pricing policies

in order to provide market stability and assure fair competition. Beyond this period, it is the U.S. Government's intent to establish a full cost recovery policy for commercial and foreign STS flight operations.

Implementation

An interim working group under the Senior Interagency Group (SIG) for Space on Commercial Launch Operations will be formed and co-chaired by the Department of State and NASA. The Working Group will be composed of members representing the SIG (Space) agencies and observers as well as other affected agencies. Additional membership, at a minimum, will include the Federal Aviation Administration and the Federal Communications Commission. This group will be used to (a) streamline the procedures used in the interim to implement existing licensing authority, (b) develop and coordinate the requirements and process for the licensing, supervision, and/or regulations applicable to routine commercial launch operations from commercial ranges, and (c) recommend the appropriate lead agency within the U.S. Government to be responsible for commercial launch activities. Until a final selection of the lead agency is made, the Department of State will serve as the U.S. Government focal point for all inquiries and requests relative to seeking U.S. Government approval for commercial ELV activities.

Background

The National Space Policy identified the STS as the primary launch system for the U.S. Government. The U.S. Government is in the process of phasing out its current ELV operations (i.e., Delta, Atlas, and Titan launch systems) as the capabilities of the STS become sufficient to meet its needs and obligations. Increasing private sector interest in continuing these ELV systems has resulted in requests for a U.S. Government policy on such activities. In addition, an increasing number of new enterprises have been established with the express purpose of developing commercial space launch capability.

The SIG (Space) was asked to review these issues and make recommendations to the President. This 4-month interagency

study concluded that a U.S. commercial ELV capability would offer substantial benefits to the Nation and would be consistent with the goals and objectives of the President's space policy.

The existence of a viable commercial ELV industry would add to the general economic vitality of the United States and provide the United States with a more robust space launch capability.

The creation of a domestic ELV industry would also maintain a high technology industrial base unequaled in the free world and provide jobs for thousands of workers while adding to the Federal tax base of the U.S. and a number of States. Each commercial launch conducted in the U.S., rather than by foreign competitors, would strengthen our economy and improve our international balance of payments. Further, continuing commercial ELV operations are expected to spawn numerous spinoffs and supporting activities and strengthen the U.S. position in what is projected to be a growing commercial market, thereby providing substantial long-term economic benefits to the United States.

In addition to the general economic benefits, both NASA and the Department of Defense would benefit from continuing commercial ELV production and launch. It would provide a more robust U.S. launch capability and offer a domestic backup for the shuttle at essentially no cost to the U.S. Government. The private sector would assume all costs of ELV production now borne by the U.S. Government. There would also be a market for U.S. Government facilities and equipment that would otherwise be underutilized or no longer required. This would also reduce or eliminate U.S. Government close-out costs for discontinuing its ELV operations. It would provide a potential market for excess flight hardware, special purpose tooling and test equipment, as well as propellants which will become excess as the Air Force deactivates the Titan II ICBM's.

In summary, partnership between the U.S. private sector and the U.S. Government will strengthen the U.S. space launch

capability, develop a major new industry, contribute favorably to the U.S. economy,

and maintain U.S. leadership in space transportation.

Remarks at a White House Briefing for Chief Executive Officers of Trade Associations and Corporations on Deployment of the MX Missile

May 16, 1983

Thank you for coming today. I realize it's very rough to break away from the office on short notice, but the reason I've asked you to come is an important one—kind of an arm-twisting session.

For more than a decade, the modernization of America's land-based, strategic missile force has been analyzed, debated, and pondered by the Congress, four administrations, countless congressional committees and subcommittees, and nearly every columnist who's ever put pen to paper. During all this time not one new United States missile has been deployed. In fact, the opposite has occurred. We've begun retiring our Titan ICBM's because of their old age—don't think what I'm thinking. *[Laughter]*

ICBM, of course, stands for intercontinental ballistic missiles. And by comparison, last year alone the Soviet Union deployed more than 1,200 ICBM warheads, which is more than is projected for our entire MX Peacekeeper program. So, we've had a price—or paid a price for our past unilateral restraint and indecision. And the growing imbalance in strategic forces has weakened the credibility of our nuclear deterrent. Our self-imposed restraint has left the Soviet Union with far less incentive to negotiate arms reductions.

The debate, analysis, and posturing are just about over. Within the next 2 weeks the Congress will decide the issue. They'll determine whether or not our deterrence, the key to peace in the nuclear age, will be strengthened. They'll also decide whether arms reduction negotiations now underway will have a chance to bring about a safer and more secure future.

When the Congress votes on the Peacekeeper program and later on the small missile funds, it'll not be just another vote. Leaders in Western Europe, in the Krem-

lin, leaders everywhere will be watching, because they know the decision will have a profound impact for generations to come. It's hardly possible to exaggerate the stakes that are involved.

The full Senate is scheduled to debate later this week on MX, and the House next week. The specific legislative proposal is to approve flight testing of the Peacekeeper missile and the work necessary for basing it in the existing Minuteman silos. Implicit in the vote is the okay for production of the missiles. And this is the essential first step for deployment of a hundred Peacekeeper missiles, beginning in 1986, and for the development of a new, small single-warhead ICBM which would be mobile.

Congressional approval will be a clear signal of national resolve, the critical message so necessary if we're to assure deterrence and real arms reductions.

When I endorsed the recommendations of the Scowcroft commission, I did so in large measure because of its thoughtful integration of three indispensable elements—modernization, deterrence, and arms control. There's a direct relationship between modernization programs like the Peacekeeper and the twin objectives of deterrence and arms control. Tear the elements apart and you have less security. Keep them together and the future of peace and freedom are strengthened.

Now, this isn't a partisan issue. The Scowcroft commission demonstrated that it's possible to undertake a complex, emotional issue of extraordinary consequence and achieve bipartisan consensus. Leading Republicans and Democrats across the country and senior officials from past administrations joined our call to build and deploy the Peacekeeper and to build the small, single-

warhead missile, but not so we can fight a war. They want to build those missiles so America can secure deep arms reductions and preserve the peace. So do I, and so do we all.

Now the question is whether the Congress can also reach a consensus, a consensus that will unite us in our common search for ways to strengthen our national security, reduce the risk of war, and, ultimately, reduce the level of nuclear weapons. The security and well-being of our nation desperately require a lasting, national, bipartisan consensus. We must sustain it from one administration to the next on arms control initiatives, defense policy, and fundamental issues on foreign policy. A vote for the Peacekeeper program can lay the foundation for this consensus.

During the past several weeks, I've met with many Members of the Congress. I've provided written replies to the specific concerns expressed by individual Senators and Congressmen. And now we're approaching the critical moment. In my discussions with the Congress, I've asked all Democrats and Republicans to act responsibly and to act together to endorse the Scowcroft commission's recommendations.

Last week, two key congressional committees voted to support these recommendations. And now I'm asking you for your active support.

I want to again thank you for taking time from your busy schedules. Your presence proves you understand the stakes involved. But understanding isn't good enough. To ensure that the final decision is a reflection of a national consensus, you must express your views and make your voices heard. I hope that you'll do just that and do it soon.

The legislative clock is about to run out on this particular issue. So, again, I thank you for being here, and again, let me say—because I'm so frustrated hearing the amateur psychoanalysis of some individuals that

I don't really want arms reduction. Well, then, why did I say it over and over again in the campaign? Why did I appoint two commissions that are in Geneva—one negotiating on the strategic missiles and the other on the intermediate-range missiles in Europe? I do want arms control.

I can't believe that this world can go on beyond our generation and on down to succeeding generations with this kind of weapon on both sides poised at each other without someday some fool or some maniac or some accident triggering the kind of war that is the end of the line for all of us. And I just think of what a sigh of relief would go up from everyone on this Earth if someday—and this is what I have—my hope, way in the back of my head—is that if we start down the road to reduction, maybe one day in doing that, somebody will say, "Why not all the way? Let's get rid of all these things." And that's why any of those fellows up on the Hill, lean on them. Do anything you can to persuade them that we must have this.

I know it sounds silly that—to build a missile in order to get rid of missiles—but we're very dangerously close to not having the deterrent that we need to keep the other fellow from using his or at least using them for blackmail. So, we have to modernize to the point that there is a deterrent, that he knows that the damage to himself would be too great to risk pushing the button. And then with that taken care of, we start down to an equal and verifiable limit on both sides.

And I'm going to quit talking because I know there are others that are going to be speaking to you, and I've got to get back to the Oval Office. But thank you all, again, very much for being here.

Note: The President spoke at 3:58 p.m. in the East Room at the White House.

Remarks at the Swearing-in Ceremony for Helene A. von Damm as United States Ambassador to Austria

May 16, 1983

The President. You know, I had a carefully prepared script which I discarded on the way over. I think this room kind of tells the story. And I decided that maybe the best thing would, if I could, would be to relate a little personal experience that has gone on for a great many years, 16 of them so far. And all of you here are testimony to what I'm going to tell you and what I'm going to say.

There was a young girl in Austria, living in Vienna, during the time of the Soviet occupation of that city and all the tragedy that went with it. And then she made her way to the United States. And I've been very proud for a lot of years that she read something—she had a job in Chicago, and she left the job, made her way to California when I ran for Governor and went to the headquarters in San Francisco, wanted to work in the campaign, but needed a job. And she was hired, and she worked in the campaign.

And then I became Governor. Judge Clark came with us to Sacramento—decided that this young lady, from what he had seen in the headquarters and her work, should be a part of the administration. And there came a moment when there was someone needed in my office, and he said there was only one person he knew in the capital that should be the Governor's secretary. And Helene became my secretary. And I became acquainted with a very quiet, modest young lady who was absolutely, totally dependable—and who did everything the way it was supposed to be, but, who was also the most American human being I have ever met. *[Laughter]*

She made all of us admire the people of Austria with this as an example for us to see. But she was more American than Patrick Henry. *[Laughter]* And the few times that I saw her bristle was when some American was criticizing this country or what it has to offer, and she would even stomp her foot in times about them.

And then the years continued and now

here. And, then, as you well know, into a very important position in our administration.

And then one day our Ambassador to Austria came home desperately ill and with the knowledge that he possibly would never be able to return there and came to me and told me that the one person, if he couldn't return, who should be the Ambassador to Austria was Helene von Damm.

Now, I greeted this with mixed emotions. I greet this day with mixed emotions. How do you say goodbye to someone who has been so important in your life for 16 years? But, on the other hand, the joy of knowing that from the Prime Minister on, they are looking forward to their former citizen returning to be the Ambassador in their country.

And I know that she will be a great diplomat. She has tact. She has, as I say, great dependability. Certainly, there in her own homeland, I have complete confidence she will represent this, her adopted land for so many years, faithfully and as well as it could be represented.

There is one thing, also, that does add to my joy in this assignment, in spite of my sorrow at her going, and that is that she will have a chauffeur to drive her—*[laughter]*—wherever she goes. The only American thing she didn't master well was traffic. *[Laughter]* She has a couple of totaled Porsches to testify to that. *[Laughter]*

But I want to thank you so very much for all that this has meant and for what you're going to do, because we still have a string on you. *[Laughter]*

Ambassador von Damm. I hope so.

The President. Yes. And, Madam Ambassador, God bless you.

Ambassador von Damm. I hope it's okay for an Ambassador to show emotion because, if not, I think I just flunked my first test. *[Laughter]*

Mr. President, dear friends, thank you very much for sharing this very special day in my life. It is a little bit overwhelming to

think that in less than a quarter of a century, a humble immigrant can progress to become Assistant to the President and now is sworn in as the United States Ambassador to her native country.

I hope Mrs. Reagan will forgive me for stealing a line, but my life, too, began with Ronald Reagan. *[Laughter]* That's, of course, not literally true, but it is in the sense of my knowing what it means to be an American, what it means to be dedicated to the principles that are the hallmark of our nation—individual freedom, personal dignity, equal opportunity.

In this sense, it all began, as the President said, one day in 1965 when an address he made so moved me that I followed him halfway across the country determined to get on his team. Well, since then, my life has been very rich on goals, satisfaction, personal growth, through 8 years of the Governorship, the disappointment and heartache of '76, the triumph of '80, and now, of course, the continuing challenge of the Presidency.

During this time I also found my wonderful husband, Byron, whose love and understanding has been an immeasurable source of strength and happiness to me and whose support I know I will need as I meet my new responsibilities.

In looking back, what I treasure most—I should say cherish most—about the American people is their incredible generosity. With all the initial handicaps of a new immigrant, I never felt anything but total acceptance and support as I tried to make my way as a citizen here in the United States. Whenever there was a bridge to cross, there were outstretched hands helping me across. That was particularly true with the Reagan family—Nancy Reynolds, Lyn Nofziger, Mike Deaver, Ed Meese, and of course Bill Clark, who initially brought me into the Reagan administration. They all not only became my friends but became my

mentors as well.

This is true of all of you: my friends, colleagues, associates, and, of course, most of all, the President, who always found it perfectly normal to hear an Austrian voice on the intercom. *[Laughter]*

Mr. President, I cherish the memories. I feel very privileged to have been a part of this magnificent adventure. Nothing has been quite as inspiring and illuminating than getting to know the President and being at his side. While history books may record him as a strong leader, as a principled President, I feel very fortunate having known him as a human being whom I so much admire and respect.

To say that I am grateful to you, Mr. President, to my adopted country, and that I understand in a very personal way the meaning of the phrase, "only in America," barely begins to express the emotions I feel today. It sometimes is difficult for those who have always experienced freedom to really appreciate how very lucky we are here, and how people around the world who are so much less fortunate and suffering do look to America as a shining beacon for hope and encouragement.

When I was a young girl, experienced war, occupation, uncertainty, I, too, saw that beacon. And now, I'm more aware than ever how important it is that we have men like the President who make sure that America continues to live up to the responsibilities that go along with all our many blessings.

You honor me deeply by this appointment, Mr. President. And I hope you know you can count on me.

Note: The President spoke at 5:07 p.m. in the State Dining Room at the White House. Prior to the President's remarks, Assistant to the President for National Security Affairs William P. Clark administered the oath of office to Ambassador von Damm.

Remarks to Reporters on the Israel-Lebanon Peace Agreement

May 17, 1983

The President. Instead of the usual chit-chat here now while the cameras are on us, I'm going to make a little statement in their presence because of an event that took place this morning, and that was the agreement that's been drawn between Lebanon and Israel and was signed this morning and, I think, is a positive step toward peace in the Middle East.

And I'd like to extend my personal congratulations to President Gemayel and to Prime Minister Begin and their colleagues for the courage and statesmanship that they've shown. But also I would like to extend, and I think on behalf of all of the country, the heartfelt thanks for our Secretary of State, George Shultz. On top of the long-term efforts of our Ambassadors Habib and Draper, who are working over there, George went over and, I think, set some kind of a record for going without sleep or rest in a real nonstop shuttle.

And now that brings about this agreement that I think gives hope for ending the suffering of the Lebanese people. It'll initiate a process which will culminate in the withdrawal of all external forces from Lebanon and of restoring Lebanon's sovereignty,

independence, and control over its territory. And this will enhance the security, I think, and well-being of Lebanon and all of its neighbors.

It deserves the support of all of Lebanon's friends in the Middle East and around the world. And the way is now clear for others whose forces are in Lebanon to agree to withdraw as well. And this opportunity shouldn't be allowed to slip away. The risks if withdrawal fails are far greater than the risks of completing the withdrawal. And we will stand firmly beside Lebanon as this effort continues in the weeks and months ahead.

And, again, my thanks to George Shultz for what he has accomplished over there.

Q. What do you think is the possibility of a withdrawal of Syrian forces and the PLO, Mr. President?

The President. Tonight in the press conference I'll—[laughter]—

Q. Remind me not to ask. [Laughter]

Note: The President spoke at 9:40 a.m. in the Cabinet Room at the White House at the beginning of a meeting between the President and Republican congressional leaders.

Proclamation 5062—Management Week in America, 1983

May 17, 1983

By the President of the United States of America

A Proclamation

The high level of competence and dedication of the members of the management profession has contributed significantly to the success of the American economy. Management skills are particularly important at the present time because of the need for increased productivity to allow our goods and services to compete more successfully in both domestic and world markets. We

urge those with management responsibilities to continue to improve their skills.

It is important that we acknowledge the essential role of management in ensuring the strength of the American economy, both in the past and for the future. We hope that public recognition of the vital role managerial personnel play in furthering the goals of our society will encourage and inspire young Americans to consider management as a career.

In recognition of the essential role of this profession in ensuring the continued

strength of the American economy, the Congress, by House Joint Resolution 225, has designated the week beginning on June 5, 1983, as "Management Week in America" and has authorized and requested the President to issue a proclamation in observance of that week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning June 5, 1983, as Management Week in America and call upon the American people to ob-

serve that week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 17th day of May, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:44 p.m., May 17, 1983]

Nomination of Robert H. Morris To Be Deputy Director of the Federal Emergency Management Agency *May 17, 1983*

The President today announced his intention to nominate Robert H. Morris to be Deputy Director of the Federal Emergency Management Agency. This is a new position.

Mr. Morris is currently serving as Assistant Director for Enterprise Development of the Minority Business Development Agency at the Department of Commerce. Previously he was chairman and principal owner of the Johnson Bronze Co. in 1970-1981;

president and chairman of the OIC Corp., Wadsworth, Ohio, in 1967-1970; managing director of Crane Ltd., London, England, in 1963-1966; operating vice president of Microdot, Inc., New York City, in 1961-1962; and president of Acco Products, Chicago, Ill., in 1959-1960.

He graduated from the University of Illinois (B.S., 1941). He is married, has three children, and resides in Bethesda, Md. He was born March 31, 1919.

Remarks at the Awards Presentation Ceremony for the President's Committee on the Arts and the Humanities *May 17, 1983*

The President. Well, it's a great pleasure for Nancy and me to welcome to the White House you who both create and support the arts.

The human need to create and enjoy art is as profound as the urge to speak. In fact, it's through our art that we best understand ourselves and can be understood by those who come after us.

The American way of supporting the arts is so different from that in many other countries. Our arts do not derive from national academies. Their support doesn't

come from royal courts or ministers of culture. Ours is a much broader cultural base. It reflects the kaleidoscope of individuality, diverse land, ethnic population, and civic pride that are America. And they also reflect the great American volunteer tradition.

At the Federal level, we support the work of the National Endowment for the Arts to stimulate excellence and make art more available to more of our people. But the Endowment also encourages private support. We owe a great deal of thanks to

the members of the National Council of the Arts, many of whom are here today, for their help in these areas.

While the purpose of this gathering is to honor six of our leading artists and six art patrons, it's also an appropriate forum to call for a renewed commitment to private giving. Last year I appointed this Committee to help in this effort, and Nancy agreed to serve as the honorary chairman. Under the able leadership of Andrew Heiskell, I am glad to report that the Committee has accomplished a great deal. We hope that through events like this we can inspire others to join our cause and in doing so lift the spirits and enrich the lives of all our people.

The arts must be supported not only for themselves but for the joy they bring to Americans everywhere. So, I urge all of you here today to contact your friends, associates, and neighbors—to commit yourselves with corporations, foundations, and community groups—to the private giving that we need to assure that art continues to play an integral part in our national life.

You know I've never been very good, myself, at fundraising. And I've told some of my friends on occasion that—that that's why I got in government, because we don't ask for it, we just take it. [*Laughter*]

The story that illustrates this is one of a man who became the chairman of his small-town charity. And, looking at the records, he went to a citizen of the town who had a 6-figure income and who had never contributed to the town charity. And he called his attention to this fact and said that the record showed that, "You have this income that you've never contributed." And he said, "Do your records also show that my brother was wounded in the war, permanently disabled and never able to work again? Do they show that my sister was widowed with several children, and there was no insurance, there was no means of subsistence?" And kind of abashed, the chairman said, "Well, no, the records don't show that." "Well," he said, "I don't give anything to them; why should I give something to you?" [*Laughter*] Well, fortunately, there are none such in this room.

And now I would like to call on Nancy to announce the honorees.

Mrs. Reagan. First, we would like to recognize the Texaco Philanthropic Foundation, represented today by John McKinley. For 42 years, Texaco has sponsored the Metropolitan Opera's Saturday afternoon radio broadcasts, the longest continuous sponsorship in the history of radio. These broadcasts have brought opera, and Texaco, into countless American homes. The Texaco Foundation celebrated the Metropolitan Opera's 100th anniversary by pledging an additional \$5 million toward the Met's endowment drive. This is symbolic of the giving of corporate foundations.

Frederica Von Stade is one of this country's great young opera stars. Born in New Jersey, she worked as a secretary and salesperson to pay for her singing lessons. She made a sensational debut at the Met in 1970, and she has since appeared all over the world. I might add, we were lucky enough to have her sing at the White House last year.

Although James Michener is primarily known as a successful writer, he's also an arts patron, having contributed millions of dollars to help younger writers. Discovering that many talented students couldn't afford the University of Iowa Writers' Workshop, he established an endowment providing fellowships each year. He's also a founder of the National Poetry Series, which sponsors a yearly competition for poets. Mr. Michener sets an example for all those who've achieved success in the arts by aiding young and aspiring artists of the future.

Czeslaw Milosz is one of the world's great poets and thinkers. Born in Poland and a leader of the avant-garde poetry movement in the 1930's, Mr. Milosz is an opponent of oppression. He was a member of the Resistance during World War II and after the war resigned from Poland's diplomatic service to protest Communist repression. Mr. Milosz, now an American citizen, teaches at the University of California at Berkeley. He was awarded the Nobel Prize for Literature in 1980.

And next we commend Philip Morris, represented today by George Weissman, chairman of the board. With its overall giving increasing fivefold during the 1970's Philip Morris is a pioneering supporter of

the visual arts. Philip Morris' support of the arts includes the Corcoran Gallery here in Washington, the current Vatican exhibit at the Metropolitan Museum, and the traveling exhibition, "Two Centuries of Black American Arts."

Frank Stella is a painter and sculptor whose work is represented in major museums the world over. He was only 24 when he astonished the art world in 1960 with severe striped paintings that seemed to mock the Abstract Expressionist movement that then dominated the American art scene. His shaped canvases of the 1970's are now replaced by monumental aluminum wall sculptures. We salute in Frank Stella an artist who has not yet made his final statement.

And next we honor the Cleveland Foundation, represented here by Stan Pace, who's also president of TRW. The Cleveland Foundation is our oldest and third largest community foundation. Recognizing in 1977 the need to develop a long-range plan for Cleveland's performing arts, the Cleveland Foundation formed a committee of community leaders and raised over \$11 million. The Cleveland Foundation is a fine example of a foundation binding a community to its arts.

Philip Johnson is a world renowned architect. He grew up in Cleveland and is currently engaged in designing the new Cleveland Playhouse. His mark, however, is everywhere. His annex of the Museum of Modern Art and the Seagram Building in New York, the Amon Carter Museum in Fort Worth, his own Glass House, are all extraordinary. A major pioneer of the international style, Philip Johnson is now an advocate of what is known as Post-Modernism.

And next we honor Elma Lewis, the founder of the Elma Lewis School of Fine Arts and the National Center of Afro-American Artists in Boston. Miss Lewis has devoted most of her adult life to training aspiring young black people for careers in dance, opera, and theater. The recipient of more than 17 honorary degrees, she represents the spirit of the volunteer and over the years has helped hundreds from minority communities participate in the arts.

Luis Valdez of California created El Teatro Campesino to dramatize the plight

of California farmworkers. It has since received numerous awards, including an Obie and three Los Angeles Drama Critics Awards. And his 1978 "Zoot Suit" was the first play by a Chicano playwright and director to be presented on Broadway. Because he's traveling today, his award will be accepted by Andy Heiskell.

Next we recognize the Dayton Hudson Foundation of Minneapolis, represented by William Andres, chairman of the board. Dayton Hudson is a household word—word—in philanthropy—world, too, I guess. Forty percent of its giving is devoted to the arts, not just in Minnesota but across the country—from the Arizona Opera Company to the St. Paul Chamber Orchestra. Dayton Hudson is an advocate of the Five Percent Principle, which urges corporations to dedicate at least 5 percent of their pretax profits to philanthropy.

Finally, we honor Pinchas Zukerman, renowned violinist and conductor. Born in Tel Aviv, Mr. Zukerman entered New York's Juilliard School in 1961. Six years later, he embarked on a brilliant worldwide career. In 1982 he received his third Grammy Award. His versatility has enriched American music, and his artistry as a soloist and as music director of the St. Paul Chamber Orchestra have delighted audiences everywhere.

The President. Thank you, Nancy.

Mrs. Reagan. That's all right.

The President. That's all right? [Laughter] That's all the pay a First Lady gets. [Laughter]

And thank you all for being here today. I would also like to thank Andrew Heiskell and the other members of the Committee for their leadership. You're an inspiration to all of us, and you represent the very best in our society.

Your contributions benefit not only our citizens today but also our children and our children's children. I hope this luncheon will be the first of a series recognizing artists and scholars and their supporters.

I've asked Frank Hodsoll as Chairman of the National Endowment for the Arts to explore the possibility of establishing a medal to recognize the Nation's best in this area. We'll continue doing everything we

can to encouraging growing private support for the arts. And with your help we'll demonstrate the commitment and appreciation of our people and our government for artistic excellence.

And let me just say one last word about this whole element of voluntarism, which so many of you here exemplify today. It's been amazing to me that in this time of economic hardship and need throughout the country—yes, the need was greater, but obviously the resources must have been less. But records have been broken all over.

The spread of volunteer efforts all over this country is just inspiring—and one little example I have to tell you. The other day there was a little awards ceremony in the Rose Garden. I was giving some awards to Peace Corps volunteers. And one of them was a nun, very tiny, quite elderly, who'd come back from Ghana, where she has a hospital and a canteen there, and where they're battling the disease and the hunger in that area.

And as I was handing her her certificate, everyone there was surprised to see her lean up and whisper something to me, and

also surprised when I leaned down and whispered something back. And my own people, when I got back in the office, couldn't wait. "What—," "What happened—," "What was she saying out there?" "What happened?" And I said, "Well, she whispered to me, was there anything I could do to help them get some flour, because in their canteen they were very short of flour—and the great hunger in the area—and they couldn't help with that." And I said, I leaned down and told her, "I'd see what we could do."

We made one phone call. And before the afternoon was over, 3,000 pounds of flour were on their way to that canteen in Ghana. And it's been that way all through the days that we've been here and inspiring this. So, I know that Nancy and I both feel very grateful to you all for what you're doing, and congratulate all of those winners and all of those donors.

It's little enough to receive a certificate. You have our heartfelt thanks as well.

Note: The President spoke at 1:15 p.m. in the State Dining Room at the White House.

The President's News Conference May 17, 1983

Arms Control

The President. Good evening. I have a statement. I'm gratified that a bipartisan consensus on arms control is emerging from the recommendations of the Scowcroft commission. Their report combined into one package three of our top priority goals—modernization, deterrence, and arms control. And I'm integrating their arms control recommendations into our START proposals. I will also support their proposal to develop a small, single-warhead missile for more stable deterrence in the future.

Many in the Congress have shared their thinking on arms control with us. Close cooperation can show the Soviets that we Americans stand united, ready to negotiate in good faith until we succeed in reducing the level of nuclear weapons on both sides.

Working together and exploring initiatives such as a proposed mutual buildup of strategic nuclear forces, we can keep America strong and achieve arms reductions that strengthen the peace and benefit all mankind. I congratulate both Appropriations Committees for their bipartisan approval of the MX Peacekeeper missile, recommended by the Scowcroft commission. I look forward to prompt approval of this vital program by the full House and Senate. It'll be one of the most important arms control votes of the 98th Congress.

The Scowcroft commission demonstrated it could take on a complex issue and achieve bipartisan agreement. The question now is whether the Congress can also reach a consensus with a resolution and unity to strengthen our national security, reduce the

risk of war and, ultimately, achieve reductions of nuclear weapons.

Another subject. The Senate will soon reconsider—or consider—no, reconsider is the proper word—a budget resolution. Some say the congressional budget process is at stake. I say the stakes for the American people are greater. The real question is, do we keep our hard-won economic recovery moving forward or do we stop recovery by reversing course? The answer for most Americans is clear.

In January I proposed a commonsense budget to reduce deficits through defense cuts and a domestic spending freeze, but with virtually no new taxes in 1984 or '85. The House and the Senate Budget Committees said no. They have voted to increase domestic spending and to raise the people's taxes by over a quarter of a trillion dollars. That's a \$3,550 tax hike for a typical family over the next 5 years—enough to pay for nearly 9 months of grocery bills.

I tried again, supporting the so-called "Domenici compromise" with less defense and more domestic spending than I really wanted, and to no avail. It is time to draw the line and stand up for the people. I will not support a budget resolution that raises taxes while we're coming out of a recession. I will veto any tax bill that would do this.

And I will veto spending bills that would rekindle the fires of inflation and high interest rates. The American people didn't send us to Washington to continue raising their taxes, spending more on wasteful programs, or weakening our defense. They sent us here to stop that, and that's what we're going to try to do.

Now, Helen [Helen Thomas, United Press International].

Fiscal Year 1984 Budget

Q. Mr. President, in February 1981 you projected a balanced budget for 1984. And now, according to your arithmetic, we will be \$190 billion in debt, the deficit for 1984. How will this affect your economic recovery program? And I'd like to follow up.

The President. Helen, I think the fact is in February of '81, we were speaking the tone of all of the economic advisers there are, and no one foresaw the falling off the cliff that took place in July. We had been in a

recession since 1979 in this country, and no one knew or believed that it was going to take that big dip that it took then, and which many people referred to as a "separate recession." We altered, naturally, our estimates on that. We know that we're going to have to have a sizable deficit in '83 and in '84. But what we're trying to do in our budget planning—and running into some objections—is set us on a path of decreasing deficits to where we can look down the road a few years and see ourselves approaching a balanced budget.

This was what the '84 budget—that I have mentioned here, my remarks, and that I submitted to the Congress earlier this year for '84—was designed to do, to set us on that kind of a path. Of course, about 50 percent of the budget deficits, we have to say, are made up or are based on the recession. And as we have recovery and begin to come out of this, that will have an effect, also, on the size of the deficits.

Q. Sir, since you've drawn a line on tax increases and further defense cuts, where would you cut domestic spending—I mean to reduce the deficit further?

The President. Well, in the budget that I submitted, we called it sort of a freeze at the time. And what it was based on was the 1983 budget, the present budget, plus 4 percent across-the-board for domestic spending. And this was on an estimate that we could bring inflation down to a 4-percent figure. So, it was going to be for '84, the '83 budget adjusted for inflation.

Well, we have inflation down to less than 4 percent. And so if we adopted that budget, we would be giving a real increase, over and above inflation, of the '83 spending. And I don't think we've done badly in '83, and that's why I still think that it is a budget that should be considered, because that budget would have set us and started us on the line of declining deficits.

Jim [Jim Gerstenzang, Associated Press]?

Withdrawal of Syrian Forces From Lebanon

Q. Mr. President, with the Syrians balking at joining the Middle East negotiations, how will you and Ambassador Habib¹ manage to

¹Philip C. Habib, the President's Special Representative for the Middle East.

encourage them to take part in the withdrawal? And, really, what reason do you have to be optimistic that this will take place?

The President. Well, for one thing, the Syrians are on record. They were invited by Lebanon to come in and help them in the troubles that were going on in Lebanon, and now Lebanon has said they're no longer needed and has invited them out. But, at the same time, the Syrians have repeatedly said that when the other forces leave, when the Israelis leave, and so forth, they, too, will leave Lebanon. Now, I grant you they're saying some different things today, but I also know that a number of their Arab allies are urging them to stick with their word and to leave when all forces are prepared to leave. And I can't believe that the Syrians want to find themselves alone, separated from all of their Arab allies.

Q. Mr. President, to follow up on Jim's question, what specifically is the United States willing to do to encourage Syria to leave? For instance, is the United States willing to offer a negotiating role to the Soviets, if that would help, or willing to offer U.S. military and economic aid to the Syrians to encourage them to withdraw their troops from Lebanon?

The President. Well, I think that we'd make the kind of—I think they should be able to see that they would have the same kind of relationship with us that other countries there in the Middle East have. I don't think that the negotiations should include inviting the Soviet Union into the Middle East. I don't see what reason they have to be there. Possibly there is pressure on the Syrians coming from the Soviets, who now have several thousand of their military forces in there in addition to the missiles and so forth.

George? [*The President called on Gene Gibbons of UPI Audio.*]

Conflicts of Interest and Nepotism

Q. Mr. President, several recent episodes suggest—

The President. I misnamed you. I'm sorry.

Q. Thank you, sir.

Several recent episodes suggest that some administration officials are putting self-in-

terest ahead of the public interest. I refer specifically to an Assistant Defense Secretary's promotion of a weapons system after receiving a \$50,000 consultancy fee from the manufacturer of that weapons system; to an Assistant Commerce Secretary's recommending that government weather satellites be sold at the same time he was negotiating for a job with the company likely to acquire those satellites; and to the U.S. Information Agency's practice of giving high-paying jobs and choice assignments to children and friends of top administration officials. How do you feel about all this, sir? Is this acceptable practice in your administration?

The President. Well, I think since every one of these things that you've mentioned is being corrected, or the people themselves involved, simply because there might be a perception of wrongdoing, have offered their resignations—I think it goes back to what has been an attempt on the part of some to portray our administration as always being involved in this sort of thing.

But I would like to cite that in almost all of the cases back over these 2 years and several months, none of the allegations were ever proven, and everything turned out all right. But then as time goes on, there's a tendency to refer back, and it reminds me of a producer in Hollywood once, who refused to hire a director. And the picture that he refused to hire the director for turned out to be a failure. And the next time the director's name came up, the producer said, "No, he was associated with one of the worst failures I ever had." I think there's something of that tone that goes on with what we've been doing.

Now, the people that were hired by USIA—I think it is being well managed, and I think there's been a vast improvement in that agency under its present direction. And the young people that were hired were hired because they were eminently well-qualified for the jobs. And I think in many cases, like most of the people that we've appointed to government, they took those supposed high-paying jobs at something of a sacrifice in relation to what they could get out in civilian life.

Q. But, sir, didn't they have an entree that someone coming in off the street would not have in a similar situation?

The President. Well, isn't almost anyone that you appoint to a position in government someone that you either know or you know through someone? Because, how else do you find the kind of people that you want for the jobs?

Nepotism, in my mind, would be if the person in charge was hiring his own relatives. And there's been nothing of that kind going on.

Yes, Jerry [Jeremiah O'Leary, Washington Times].

White House Staff

Q. Mr. President, your big four advisers have been at odds for some time on policy and tactical matters—the pragmatists versus the true believers. And this, at times, has been something of a bitter feud. If the infighting is over in the White House staff, how did you end it? And if it's still going on, what are you going to do to bring peace into this house?

The President. Well, it isn't going on. And I think it was much more exaggerated, by way of leaks and so forth from others, than it really was.

Now, I think any time when you have an administration, and you have a number of people, and you've got issues in which there are varieties of options and so forth, you're going to find times when some will be on one side of one option, some on the other. And I make the decisions, and so sometimes some are losers and some are winners. But I don't think there's anything that can't be worked out and hasn't been worked out there among our top staff.

Sam [Sam Donaldson, ABC News]? Yes?

The Budget Deficit and Interest Rates

Q. Mr. President, do you subscribe to the theory that large budget deficits in the range of \$200 billion and such, as your '83 budget itself would project, will keep interest rates high, particularly long-term interest rates? And, if so, do you not feel that this is as great a threat to recovery as more taxes?

The President. If interest rates were to go up, of course. But I do not see any sign of

that. And they have come down considerably, as I have repeatedly said, to half of what they were just a short time ago and when we started.

And I know that perceptions in the marketplace can sometimes influence the people in the marketplace. And we have to watch out for things of that kind. But all of the economic indicators are such that I see no reason why they should be going up. As a matter of fact, I think in the very near future we're going to see a further drop in interest rates.

Paul Volcker

Q. Well, sir, may I follow up—

The President. Yes.

Q. —because you mentioned the word "perceptions." Many people believe that if you reappoint Paul Volcker as Chairman of the Federal Reserve Board, this will steady the market and this will give confidence to Wall Street. Will you reappoint Paul Volcker?

The President. Sam, as I have said before, we don't discuss the possible appointees that face us until the time comes. And when the time is right, why, we'll get together on that subject and decide what our course is going to be.

Andrea [Andrea Mitchell, NBC News]?

Grain Negotiations With the Soviet Union

Q. Mr. President, the situation in Poland seems to be getting worse, not better. Can you explain, then, why you have decided to welcome the Soviets into long-term negotiations on grain, and why this should not be viewed as simply trying to attempt to curry favor with the farmers for 1984?

The President. No. I do not think it's that. And, as you know, I had always disagreed with using grain as a single economic weapon, back when it was imposed as an embargo, and lifted that embargo. All that we have done is agreed to sit down with the Soviet Union to explore the idea of a long-term agreement. And I think that there are a couple of reasons for this.

One of them, it will, I think, restore something of what we lost with the embargo in the eyes of the world—restore us as being viewed as a dependable provider.

That is one thing. Another thing is that I think the benefit will accrue to us, certainly, as much as to them. And, if you want to look at it another way, this is a case in which the Soviet Union which has extended itself so far in building up its military buildup—we're not offering any credit deals or anything of that kind. They're going to have to buy cash-on-the-barrelhead. And that's hard cash that they will have to come up with.

Q. Sir, if I may follow up. Since it will result in more grain being exported to the Soviets, how do you justify that with our position, our pressure on the European allies to restrict our trade, Western trade with the Eastern bloc?

The President. No. The only conversations we've had—and I think we've resolved them very well; there's peace among us with regard to East-West trade. And the only problems we had were subsidized credit and trade that was going on in which the Soviet Union was being allowed to purchase at below market value. And so this and—just as this is different than the gas deal. In that instance, our allies were making themselves dependent on the Soviet Union and were providing cash badly needed by the Soviet Union. So, there's a little difference between buying and selling.

Yes, Joe [Joe Ewalt, RKO Radio].

Pardon of Watergate Figure

Q. Mr. President, over the weekend we learned that you had pardoned one of the Cuban Americans who was convicted of participating in the Watergate burglary, and then we learned you had turned down two other Watergate pardons. I'd like to know why you took those actions.

The President. Well, I didn't turn anyone down. I have received no recommendation from the Justice Department for other pardons. I did receive the recommendation for the one gentleman. He had never committed a crime of any kind before. He was not, in any way, a ringleader or a great activist in the deed performed. He served his sentence and since then has lived up to the letter of the law and been a very fine, productive citizen. And those are the terms for pardoning someone, so we pardoned him.

Bill [Bill Plante, CBS News]?

Withholding Tax on Interest and Dividends

Q. Mr. President, not long ago you expressed in no uncertain terms your anger at the Nation's bankers, or some of them, for what you termed "misinformation" on the business of withholding. Now, it appears that the withholding will go through the Senate as it went through the House today by a margin that's large enough to override a veto. You threatened to veto it before. Will you still?

The President. Well, I'm not going to comment on that, Bill, because I understand that there is some talk of a—something or other of a compromise in it, and I'm going to wait and see what they come up with there on the Hill.

Now, wait a minute. Deborah [Deborah Potter, CBS News]?

Possible Soviet Violations of Arms Control Agreements

Q. Mr. President, 6 weeks ago you said that there were serious grounds for questioning Soviet compliance with arms control agreements and that you might have more to say about that. And since then, the United States has confirmed that the Soviets have again tested the missile that has been raising U.S. concerns. With the talks resuming today with the Soviets on a new arms control agreement, don't the American people have a right to know if you believe the Soviets have violated past ones?

The President. It isn't so much as to whether we believe, it's a case of whether you have the evidence to actually pin down an infraction. And you said they tested the weapon again. We, even, aren't sure that this is the same weapon or that they're not testing two weapons. But with the information that we have, from our own trying to verify what is going on, yes, we have reason to believe that very possibly they were in violation of the SALT agreement. And we have appealed to them for more facts, more information on the weapon they tested. So far, they have not provided that information to us. So, all we can tell you is that we have a very great suspicion, but again you can't go to court without a case and without the solid evidence. And it's just too difficult, and we don't have that.

Yes, Candy [Candy Crowley, AP Radio].

Education

Q. Mr. President, you recently received a report on education which stated that if an unfriendly foreign power had imposed on America the mediocre educational performance which exists today, we might have viewed it as an act of war. In your '84 budget request, you asked for about \$13½ billion in Federal funds for the Department of Education and over \$235 billion for the Department of Defense. Isn't it time, in light of the report, to reassess your priorities?

The President. Not really, because, you see, education is not the prime responsibility of the Federal Government, and the total budget for education in the United States is far greater than the defense budget. As a matter of fact, the Federal Government actually provides less than 10 percent of the cost of education through the Department of Education.

And for that 10 percent, one of the things that's wrong with the school system—and if you want to talk to some local school board members, many of them will confirm this—is that for the 10 percent or less of funding, the Federal Government has wanted about 50 percent of a voice in dictating to the schools and running the schools.

Now, we've gone through a period of a number of years, about 10 years, in which we went from \$760 million Federal aid to education to about \$14.9 billion, and that's a 2,000-percent increase. And it was during that period that the testing scores—the college testing, entrance tests, and so forth—began to decline so severely.

Now, I appointed a Commission to study and bring back a report on what we felt was a decline in education in our schools. They brought back a masterful report. And in that report there's very little suggestion for more money. What they're talking about can be corrected without money. It takes some leadership. It takes some return to basics. It takes having students that now have to learn what they're supposed to learn in a class before they're moved on to the next class, just because they've come to the end of the year. And there's an awful lot of that goes on.

It also takes required courses in English, in the basics, in mathematics, in science, particularly in high school. And yet we've seen a time in which you can get credits toward graduation for cheerleading in some of our schools. Or how would you like to graduate by getting straight A's in bachelor life? [Laughter]

We think there's some common sense that is needed. And so we've proven that money, throwing money at it isn't the answer. And the Federal Government can never match the funding of schools at the local and State level, where we've created the greatest public school system the world has ever seen, and then have let it deteriorate. And I think you can make a case that it began to deteriorate when the Federal Government started interfering in education.

Q. If I could follow up, I realize that many of the things in the report could be done without further increases in funds, but that also recommended more school days, longer school hours, better qualified teachers. I think many public school systems would tell you they don't have the money to do that. Where are they going to get it?

The President. Well, I don't know that so many of those things—there would be some increase in money there, I'm quite sure. But again, how much is being wasted on some things that aren't contributing to their education that could be transferred to that? And I think that—well, right now there are three—Time magazine, just a few days ago, had an article in there about three inner-city high schools: one in the Bronx, New York, one in Los Angeles, one in Austin, Texas. And just by changes from the principal's office down, in leadership, these schools have become what schools are supposed to be, to the extent that students are leaving private schools to transfer to these public schools.

And I want to implement as completely as possible that plan that was submitted to us by this Commission that was investigating education. And it won't cost \$11 billion, which a nameless gentleman has suggested he would advocate that we spend. [Laughter]

Lou [Lou Cannon, Washington Post]?

Nicaragua

Q. Mr. President, you've described the Sandinista regime as being oppressive and inimical to our interest in the Western Hemisphere. Why don't we openly support those 7,000 guerrillas that are in rebellion against it, rather than giving aid through covert activity?

The President. Why, because we want to keep on obeying the laws of our country, which we are obeying. [*Laughter*]

Q. Do you think that if the Sandinista government remains in power in Nicaragua that democracy and freedom can survive in Central America?

The President. Well, Lou, let me answer it this way: We have tried to negotiate. We have tried to talk and to relate on a bilateral basis with the Nicaraguan Government, the Sandinista government.

The only objection that we have to them is, they're not minding their own business. They are attempting to overthrow a duly elected government in a neighboring country. They are supplying direction. They are supplying training. They're supplying arms and everything else that is needed to guerrillas that are trying to overthrow that government.

All we've said to Nicaragua, and from the beginning, is, "Become a legitimate American state. Quit trying to subvert your neighbors, and we'll talk all kinds of relationship with you."

But here is a country, a government, that was not elected, that then threw out part of its own revolutionary forces because they wanted legitimate democracy, and yet at the same time that it's complaining because those same forces—those are not remnants of the Somoza government that they threw out of office; those are some of their former allies. And all they want from them is for that government to keep the promises it made to the Organization of American States, which were to have elections, to restore human rights, to observe all the democratic principles.

The Miskito Indians are also fighting because they were chased out of their villages, their villages burned, their crops were destroyed or confiscated by this revolutionary government, and the Miskito Indians are

fighting for their lives. But what we've said to them is, and will say again, if they'll just start minding their own business, they can get along with all the rest of us.

Now, let me—I get stuck over on that side here and seeing everyone—

Ralph [Ralph Harris, Reuters News Service]?

Embargo of F-16 Aircraft to Israel

Q. Mr. President, back to the Middle East. Now that Israel has signed its troop withdrawal agreement with Lebanon, do you intend to lift the embargo against the supply to Israel of F-16 aircraft?

The President. This is a matter now that must go to consultation between the State Department—they handle that—and the Congress, and that consultation is about to begin.

Yes, Bob Rowley [Storer Rowley, Chicago Tribune].

U.S. Marines in Lebanon

Q. Mr. President, given the uncertainties about whether the withdrawal agreement in Lebanon will succeed, what are the prospects for getting our own U.S. Marines out of Lebanon and, is it likely that the number of American troops may, in fact, increase in the near future?

The President. Well, you have to remember what the multinational forces went in there for. The multinational forces are there to help the new Government of Lebanon maintain order until it can organize its military and its police and assume control over its own borders and its own internal security. So, it could be that the multinational forces will be there for quite a period.

And we have to remember 8 years of Lebanon being totally divided with, literally, warlords, and their own independent militias, and so forth, and that's the function and the purpose for them being—for our multinational forces being there.

Q. I'd just like to follow up. Do you see their number increasing in the near future?

The President. I haven't seen any sign of that. This would depend a lot on Lebanon and their needs and whether they could demonstrate needs for this.

Poll Results on Government Regulation

Q. Mr. President, Louis Harris recently announced a survey he conducted for Atlantic Richfield found that almost 90 percent of those who responded said that government should approve such things, for instance, as new toys for safety before they could be sold, and almost 70 percent said that government should bar TV ads that are misleading. And, overall, the poll showed that people want government to interpose itself in the marketplace, especially in the area of consumer product safety. And in light of your oft'-said assertion that Americans think themselves overregulated, what do you make of Mr. Harris' poll?

The President. It's a case, also, of which government level is the best one to do this and whether this requires a gigantic Federal bureaucracy. When I was Governor of California we did that at the State level, and very effectively. And there are also private sector things—Better Business Bureaus—that do much the same thing. But I have to—as you know, I'm a Johnny one-note on this. A lot of things that are suggested for the Federal Government, I want to make sure that they aren't the legitimate function of another level of government and that they can't be better done by another level of government.

Jerry [Gerald Boyd, St. Louis Post-Dispatch]?

Black Voters and Administration Policies

Q. There have been some recent reports, Mr. President, raising the possibility that you might abandon black voters in the event that you seek reelection. Of course, that's been denied by some officials in the White House. Even so, considering the backlash to your administration policies in such areas as the budget and civil rights, how do you see your chances with black voters in the event you seek to run again?

The President. Jerry, I'd have perfect confidence in our chances with black voters in America if we could get the truth to them. I know that, again, that word "perception" has been carried on, and what the perception is. First of all, you're hearing another official from the White House telling you that, no, we're not casting any voters aside.

And, yes, I do think we have a lot to offer.

Now, among the perceptions that somehow our budget cuts have affected the black community more than any other—in our changes in social programs, all we have done is remove from the rolls people that we believe are at an income level that is above what is required for them to be getting some benefits at the cost, or at the expense of their fellow taxpayers. We have increased our ability to help those truly at the lower earning end. And the very fact of what we've been able to do with inflation: a family that had \$10,000 in 1979 and 1980, if we had left the inflation rate where it was then, that \$10,000-a-year family would only have \$7,900 in purchasing power. And that's like cutting their income by \$2,100.

I think that as to—you mentioned about civil rights—we are enforcing civil rights at a record level with regard to the charges made for criminal violation of civil rights. The same is true of our ability—the money that we have regained in wage disputes for people that have been denied their fair wages. We're setting a record in that. We're out ahead of what has been done in the past in any number of those items. We have conducted some 21,000 inquiries into voting, what we think are suspected voting violations. And as you know, we have extended the Voting Rights Act for a longer period than has ever been done in history.

What I think is that a pretty good hatchet job has been done on us. And a great many people sincerely and honestly believe something that just is not true. And my belief has always been, and long before I ever got here, that wherever in this land any individual's constitutional rights are being unjustly denied, it is the obligation of the Federal Government—at point of bayonet, if necessary—to restore that individual's constitutional rights.

President's Decision on Seeking Reelection

Q. If I can follow up, Mr. President, that statement and some others you have made recently have the markings of a candidate who, indeed, will run for reelection. [Laughter]

Q. [Laughter] That's right.

Q. Are you trying to tell us something?

Or are we misreading you?

The President. Jerry, you're misreading to this extent: That's a decision that is not going to be made yet. But I think it would stand to reason that if the answer were no for me, that Republicans would still be under the cloud that I have just described. And I think that I would be very vocal in a campaign on behalf—well, I intend right now to support congressional candidates,

senatorial candidates, to the best of my ability, and gubernatorial candidates.

Ms. Thomas. Thank you, Mr. President.

The President. All right, Helen.

Note: The President's 17th news conference began at 8:01 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television.

Appointment of Robert Michael Kimmitt as Special Assistant to the President for National Security Affairs

May 18, 1983

The President today announced the appointment of Robert Michael Kimmitt as Executive Secretary of the National Security Council and Special Assistant to the President for National Security Affairs. Mr. Kimmitt has been serving as NSC General Counsel and Director of Legislative Affairs and Security Assistance. He will retain the General Counsel designation in his new position.

After being commissioned as a regular army officer in 1969 at West Point, Mr. Kimmitt completed field artillery, airborne, and ranger schools. He then served a 17-month combat tour with the 173d Airborne Brigade in Vietnam (1970–1971) and was subsequently assigned to the 101st Airborne at Ft. Campbell, Ky. (1972–1974). He attended Georgetown University Law School in 1974–1977, during which time he also

served as a legislative counsel to the Army's Chief of Legislative Liaison (summer 1975) and then as an NSC staff member specializing in arms sales policy (1976–1977). Upon graduation from law school, he served as a law clerk to Judge Edward Allen Tamm of the U.S. Court of Appeals for the D.C. Circuit (1977–1978). He returned to the NSC staff in 1978, serving both as legal counsel and arms sales policy officer until early 1982, when he left active military service to join the senior staff of the NSC.

Mr. Kimmitt graduated from the United States Military Academy at West Point (B.S., 1969) and Georgetown University Law Center (J.D., 1977). He is married to Holly Sutherland Kimmitt. They have two children and reside in Arlington, Va. He was born December 19, 1947.

Remarks on Signing a Resolution and a Proclamation Declaring National Andrei Sakharov Day

May 18, 1983

A brilliant scientist, dissenter, and defender of human rights, Andrei Sakharov, has been called by the Nobel Committee "the conscience of mankind." Andrei Sakharov has chosen a life of conscience, explaining why with these simple words: "I felt that I did not have the right to keep

silent."

The bold and penetrating voice of Andrei Sakharov is now in danger of being stilled. Not only is he denied his freedom but his health is in danger, jeopardized by constant harassment and by the lack of decent medical attention. That's why we've gathered

here to honor him, to acknowledge the world's debt to him, and to do all in our power to prevent him from being silenced.

Members of the Congress who passed this resolution, like all of you who are here, are individuals of greatly differing backgrounds and persuasions. We're especially pleased to have with us today Mr. Sakharov's daughter, Tatiana, and his son-in-law, Efrem, as well as the congressional sponsors of this resolution, Senators Dole and Moynihan and Representative Kemp. Unfortunately, Representative Solarz couldn't be here with us. But other Members of the Congress are here as supporters of this proclamation.

The diversity of this distinguished group is testimony to the appeal of Andrei Sakharov's life. It's also a tribute to the majesty of his principles, the principles he stands for. But Andrei Sakharov's voice is not just the solitary voice of principle of one man with courage; it is also the free voice of his people—a great, good, and noble people who long for freedom and just rule.

Andrei Sakharov speaks for those in the Soviet Union and elsewhere who yearn for fulfillment of their human rights. No one knows this better than those who now attempt to stifle his spirit, to silence him. Rulers of totalitarian states, however great the danger that they pose to the rest of

mankind, are aware of the shakiness of their rule and the fragility of their claims of legitimacy. And that's why they seek to stifle dissent. And that's why we must never stand by in silence as they do.

The words of Andrei Sakharov that I quoted earlier remind us that speaking the truth is more than a right or privilege—it's an obligation and a duty. In this, we must follow his lead. So, today we bear witness to these truths: that Andrei Sakharov is a man of uncommon courage and decency and that all who value freedom and human dignity must speak out now in his defense and in his behalf.

Today, we call upon the Soviet leaders to give Andrei Sakharov his freedom. The world needs his learning, his wisdom, his nobility. In observing National Andrei Sakharov Day, May 21st, we urge the American people and all the peoples of the world to speak for him, for in doing so we speak for ourselves, for all mankind, and for all that is good and noble in the human spirit.

And I whall now sign this proclamation with great pleasure.

Note: The President spoke at 10:48 a.m. at the signing ceremony in the Rose Garden at the White House.

As enacted, S.J. Res. 51 is Public Law 98-30, approved May 18.

Proclamation 5063—National Andrei Sakharov Day May 18, 1983

*By the President of the United States
of America*

A Proclamation

Dr. Andrei Sakharov has earned the admiration and gratitude of the people of the United States and other countries throughout the world for his tireless and courageous efforts on behalf of international peace and on behalf of basic human freedoms for the peoples of the Soviet Union. In recognition of this work, Dr. Sakharov was awarded the Nobel Prize for Peace. Soviet authorities prevented Dr. Sakharov from receiving this award in person by prohibiting him from

leaving the Soviet Union.

In the face of continuous harassment and mistreatment by the Soviet authorities, Dr. Sakharov has continued his work for peace and individual human rights. Despite his exile to the remote city of Gorkiy on January 22, 1980, and despite continued efforts by the Soviet authorities to deny Dr. Sakharov the means of continuing his work and of maintaining contact with the outside world, the example of Andrei Sakharov's courage continues to shine brightly.

The Congress, by Senate Joint Resolution 51, has designated May 21, 1983 as "Nation-

al Andrei Sakharov Day” and has authorized and requested the President to issue a proclamation in observance of that day. On this occasion, Americans everywhere are given the opportunity to reaffirm that, despite attempts at repression, the ideals of peace and freedom will endure and ultimately triumph.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim May 21, 1983 as National Andrei Sakharov Day. I call upon the

American people to observe that day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this eighteenth day of May, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 2:25 p.m., May 18, 1983]

Nomination of Robin Raborn To Be an Assistant Secretary of Housing and Urban Development May 18, 1983

The President today announced his intention to nominate Robin Raborn to be an Assistant Secretary of Housing and Urban Development (Public Affairs). She will succeed Harry K. Schwartz.

Miss Raborn is currently serving as a consultant in public/congressional relations at the Merit Systems Protection Board. Previously she was Deputy Assistant to the Director for Public Affairs at the Office of Management and Budget, in 1981-1983; brand manager, new business development,

Colgate Palmolive, in 1980-1981; and brand manager, new products, American Cyanamid, Shulton Division, in 1978-1980. She was in the international division at Revlon in 1976-1978.

She graduated from Vanderbilt University (B.A., 1975) and the American Graduate School of International Management (M.A., 1976). She resides in Washington, D.C. She was born April 7, 1953, in Delray Beach, Fla.

Appointment of Three Members of the Interstate Commission on the Potomac River Basin May 18, 1983

The President today announced his intention to appoint the following individuals to be members of the Interstate Commission on the Potomac River Basin:

John M. Brennan will succeed Joseph D. Gebhardt. He is vice president of Integrated Resources Equity Corp. in Greenbelt, Md. He is married, has six children, and resides in Davidsonville, Md. He was born September 8, 1939.

Hugh C. Newton will succeed Alvin R. Morris. He is president of Hugh C. Newton & Associates in Alexandria, Va. He is married, has four children, and resides in Alexandria. He was born October 17, 1930.

Thomas Peter Perros will succeed Lois Kremer Sharpe. He is chairman of the department of chemistry at George Washington University. He resides in Washington, D.C. He was born August 16, 1921.

Appointment of the United States Commissioner and Alternate Commissioner on the Arkansas-Oklahoma Arkansas River Compact Commission

May 18, 1983

The President today announced his intention to designate the following:

Sharon L. Shipley, to be United States Commissioner on the Arkansas-Oklahoma Arkansas River Compact Commission. She will succeed John B. Luce. She was a candidate for mayor of Fort Smith, Ark. She serves on the small business action committee of the Arkansas State Chamber of Commerce. She is married, has two children, and resides in Fort Smith, Ark.

She was born May 24, 1939, in Fort Smith. *Baren Healey*, to be United States Alternate Commissioner on the Arkansas-Oklahoma Arkansas River Compact Commission. This is a new position. Mr. Healey is a rancher in Davis, Okla. He is also a partner in Heritage Resources. He is a member of the senior advisory council of the Oklahoma Cattlemen's Association. He is married, has three children, and resides in Davis, Okla. He was born February 7, 1934, in Phoenix, Ariz.

Remarks at the Swearing-in Ceremony of William D. Ruckelshaus as Administrator of the Environmental Protection Agency

May 18, 1983

The President. I want to take this opportunity to thank Senate Majority Leader Howard Baker and Senators Stafford and Randolph for their successful efforts in expediting Bill's confirmation. I personally appreciate their efforts as well as the unanimous vote of confidence that was given Bill by the Senate.

Thirteen years ago, under another Republican administration, the Environmental Protection Agency was formed to preserve and enhance the quality of America's most precious assets—our air, land, and water. Its creation signaled a new awareness of the ecology and the impact of urbanization and industrialization on the quality of our lives.

EPA was fortunate to have as its first Administrator an extraordinary public servant who gave direction and momentum to the fledgling environmental agency. His assignment, not an easy one, was performed with dedication, integrity, and a balanced understanding of the Nation's needs. He soon became known—and with good reason—as “Mr. Clean.” And today, at a time when we're opening a new chapter in the history of this agency, I can't imagine anyone who's more qualified or better suited to be at the

helm once again than “Mr. Clean,” Bill Ruckelshaus.

Bill, speaking for many Americans, welcome home.

You helped set this nation on a course we still follow today—a course that has brought many tangible signs of progress. The quality of air in the United States, especially in our cities, is better today than it was 13 years ago. Streams, rivers, and lakes all across the country are becoming cleaner. Regulations are now in place that come to grips with the problems of hazardous waste disposal. Progress is being made in cleaning up the abandoned chemical dumpsites which mar the countryside. And yet, as you and I have discussed, we must do even more to protect and cleanse our environment.

There are many areas of immediate concern, but let me single out four that I would like you to address as quickly as possible in your new post.

First, many of us, both here and in Canada, are concerned about the harmful effects of acid rain and what it may be doing to our lakes and forests. So, I'd like you to work with others in our administration, with the Congress, and with State and

local officials to meet this issue head-on. At a time when spending in other areas must be curtailed, we've already asked for an increase of 112 percent in research funds for acid rain. People on both sides of the border must understand that we're doing what's right and what's fair in this area.

Second, accelerate efforts to put the Superfund to good use, cleaning up those hazardous dumps that present an imminent or serious threat to human health. We've made progress, but we must make still more. Let's pledge that no American will be held hostage or exposed to danger because of bureaucratic snafus or legal disputes over responsibility.

Third, consistent with the point I just made, we need a sorting-out process to determine the areas of authority between the various levels of government. I've always thought that protecting the environment was something in which the State and local governments could and should play an important role. When I was Governor of California, I was proud that our State led the way in many aspects of this battle, including the laws concerning air pollution. I hope you can focus on this and provide us with a better idea of who is best equipped to handle specific areas of responsibility.

Fourth, we must ensure that the laws concerning this vital area continue to be vigorously enforced. We expect nothing less than full compliance with the letter and spirit of the law.

Bill, recently a fine group of EPA career professionals came to the White House for an informal meeting with members of my staff. We had an opportunity to spend some time talking about the ways EPA can be improved so as to better fulfill its mandate. I was impressed with their professionalism and dedication to the mission of the Agency. I will restate for you what I told them: You have my total support in your difficult job of enforcing and administering our nation's environmental protection laws.

With your leadership and the assistance of EPA's fine career professionals, and with a good working relationship with State and local environmental agencies, I'm confident we will accomplish our goal: the protection of the health and well-being of the American people. Too much time has already

been wasted in fault-finding, recrimination, and innuendo. Today we mark a new beginning.

So, Bill, I'm counting on you, in your daily performance of your duty, to reaffirm this administration's firm commitment to a sound and safe environment and an EPA that is trusted and respected by all. And I thank you very much for taking this assignment.

Mr. Ruckelshaus. Mr. President and Members of Congress, distinguished guests, I want to thank all of you for attending.

Many of you, on very short notice, have come from afar, many as far away as the other coast. Many of those who have come here today were present at the creation of EPA some 12½ years ago. And it was at that time in a ceremony similar to this that I accepted the charge from then President Nixon to launch EPA.

My daughter, Cathy, who held the Bible for me this afternoon, was 10 years old and in the fifth grade. And next month she will graduate from Princeton. She ably represents our family, many of whom, including my wife, were here last week waiting for the Senate to act. *[Laughter]* The budget took precedence, and they're now in Seattle, but with us, certainly, here in spirit.

Bill Rehnquist, Justice Rehnquist, who performed the honors today, 12 years ago was a colleague of mine at the Department of Justice, where we both served as Assistant Attorney General.

Mr. President, you were then Governor of California, a State with an environmental record that was lighting the way for the rest of the Nation. It was your leadership in California that provided the spur to the Federal Government and got the whole country moving toward coping with environmental degradation.

Since 1970 the highlighted problems of EPA have changed, but its basic mission is the same: to protect the public health and the natural environment. Recognizing the importance of this mission, Mr. President, you have provided me with the basic tools necessary for success. You've charged me with helping you find the best people available to do the job and with assessing the needs of EPA and asking Congress for the

resources necessary to carry out their statutory mandates.

You've told me to operate in the sunlight, so that all can understand and participate in EPA's policy formation and decisions. Mr. President, while we both think the basic laws of EPA can be made to work better, we recognize the final arbiter of the shape of the law in this country is the Congress. That body, so ably represented by those present here today, makes the laws. It is my job to enforce them as written.

I pledged to the Congress in my confirmation hearings, and will do so here again today, that I will consult closely with them in seeking to administer and refine our statutory base. Hopefully we at EPA can regain the trust of Congress and achieve the administrative flexibility that I, and others before me in this job, believe is essential if the public interest is to be served.

Mr. President, today you have charged me with some specifics: Get on with the problem of acid rain and toxic dumps; make sure everyone understands the laws will be enforced; and help sort out the role of the Federal and State governments so the people at both levels can stop second-guessing one another and get on with their job. I take these charges very seriously. They will be vigorously pursued.

Most important, Mr. President, you have pledged to me and the people at EPA your total support in taking on this job. Without your support, I cannot succeed, and with it, I will not fail.

As you noted, in your remarks, EPA has impressive professionals with a high dedication to their mission. Many of the able people of EPA were there when we started over 12 years ago. We have much to learn from their collective wisdom, and with their

help this country can continue to progress toward our environmental and health goals.

Mr. President, it is my sense that the people of EPA who have stayed with it from the beginning are there because of their belief in the fundamental importance of their mission. EPA was not created to deal with the usual mix of social problems, whether they be poverty, jobs, housing, education, crime. In a real sense, EPA's mission transcends all of these. That mission is the preservation of life itself. The career people of EPA recognize better than the rest of us the necessity of harmonizing their mission with the essentials of the life they're trying to preserve. They know the single-minded pursuit of any social goal to the exclusion of all others can cause severe societal distortions. They are willing and uniquely able to help our country avoid those distortions if so charged.

You have charged us here today, Mr. President. You have told us to pursue our mission with wisdom and dispatch. We accept your direction. I can say to you, Mr. President, and to the Congress, which confirmed me, that I appreciate your support and trust. And as I pursue the public interest, which is often so elusive at EPA, your support will sustain me. And in that pursuit, I pledge to you and to the Congress and to the American people that I will never break your trust.

Thank you.

Note: The President spoke at 4:08 p.m. in Room 450 of the Old Executive Office Building. Prior to the President's remarks, Supreme Court Associate Justice William H. Rehnquist administered the oath of office to Mr. Ruckelshaus.

Remarks at the Annual Awards Dinner of the White House News Photographers Association

May 18, 1983

The President. Now, I've been told that this is all off the record and that the cameras are all off. Is that right? [*Laughter*] I

was told that, because I've been waiting years to do this. [The President placed his thumbs in his ears and wiggled his fingers.]

[Laughter]

Audience members. Do it again! [Laughter]

The President. No! [Laughter] I want to tell you, though, I had a bad moment—or Nancy and I did when we came in here. You're all so beautifully dressed and dressed up, that we thought maybe we'd gotten to the wrong dinner. [Laughter] You know, usually you have a bag over your shoulder, and you look a little rumpled, sort of like a fellow that's just checking out of a motel and rather not be seen leaving. [Laughter]

But on the level, though, I like photographers. You don't ask questions. [Laughter] Can you imagine Sam Donaldson [ABC News] with a camera? [Laughter] As most of you would say, "The thought makes me shutter." [Laughter] Somebody asked me one day why we didn't put a stop to Sam's shouting out questions at us when we're out on the South Lawn. We can't. If we did, the starlings would come back. [Laughter]

That reminds me, just the other day, I saw my first robin redbreast of the spring in a tree outside the Oval Office—and six of you in the bushes. [Laughter] This is, you know, all the things that go with this job—I was worried that I'd get out of shape in this job. But thanks to Mike Deaver's diet and Jane Fonda's workout book, I feel just great. [Laughter] You wouldn't believe the muscle I've developed in my left arm. [Laughter] That took a second, didn't it? [Laughter]

I'm told that there's a feeling among photographers that journalists don't treat you well or as fairly as you'd like. Welcome to the club. [Laughter] You know, I like your White House photographers motto, though, "One picture is worth a thousand denials." [Laughter]

I have a confession to make. Those top-secret satellite photos of the Grenada air base that I showed on television a few weeks ago—I think you really should know they weren't really satellite photos. We tied a balloon on Mike Evans [Personal Photographer to the President] and floated him over. [Laughter]

The other day, when all those ballplayers

were out there on the South Lawn on that big baseball day that we had, Jim Watt told me out there that, when he was a boy, he dreamed of one day being out in center field at Yankee Stadium—drilling oil. [Laughter]

I know this isn't a partisan political affair. But I also know that you have wide-angle lenses that are wide enough to get all the Democratic Presidential candidates in one shot. [Laughter] You just don't have a lens that's wide enough to get all their promises. [Laughter] But you could tell me if this one that I heard is true. Is it true that young Gary Hart is having the wrinkles airbrushed in? [Laughter]

There are some things that you and I have in common in addition to being on the opposite ends of the camera. For you, the darkroom is a place to develop film. For me, it's a place where the Democrats use it as a think tank. [Laughter]

But you're a brave bunch. You storm Normandy Beach. You raise a flag on Mount Suribachi. You have breakfast with Baker and Deaver and Meese. [Laughter] But let's get serious for just a moment, and a moment is all I'm going to take.

On a newspaper or a magazine page, I always look at your work first, and so does everyone else. It's that still photo that captures the essence of the moment and sticks in our memory. If the written or broadcast media could capture the truth as consistently and accurately as you do, the American people might have a better perspective on many issues of the day.

I admire what you do. And I believe you do your job honestly and fairly. And that's the basis of our press freedoms. And so, I thank you for inviting us here this evening. I thank you for your fairness and your hospitality. And, if we'll all just remember, my best side is my right side—[laughter]—my far right side. [Laughter]

Thank you. God bless you all.

Note: The President spoke at approximately 9:30 p.m. in the main ballroom at the Sheraton Washington Hotel.

Message to the Congress Reporting Budget Deferrals *May 19, 1983*

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report one new deferral of budget authority totaling \$2,750,000 and two increases to previously reported deferrals, increasing the amounts deferred by \$57,047,000.

The deferrals affect Energy Activities, the Department of Justice, and the Railroad Retirement Board.

The details of each deferral are contained in the attached reports.

RONALD REAGAN

The White House,
May 19, 1983.

Note: The reports detailing the deferrals are printed in the Federal Register of May 24, 1983.

Nomination of L. Paul Bremer III To Be United States Ambassador to the Netherlands *May 19, 1983*

The President today announced his intention to nominate L. Paul Bremer III, of Connecticut, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador to the Kingdom of the Netherlands. He would succeed William Jennings Dyess.

Mr. Bremer entered the Foreign Service in 1966 as Foreign Service Officer General in Kabul and was economic and commercial officer in Blantyre in 1968–1971. In the Department he was watch officer of the Operations Center (1971), secretariat staff officer of the Executive Secretariat (1971–1972), staff assistant (1972–1973), special assistant

(1973–1974), and executive assistant to the Secretary of State (1975–1976). In 1976–1979 he was Deputy Chief of Mission in Oslo. He was Deputy Executive Secretary of the Department in 1979–1981. Since 1981 he has been Executive Secretary and Special Assistant to the Secretary of State.

He graduated from Yale University (B.A., 1963) and Harvard University (M.B.A., 1966). He received his CEP from the Institut d'Études Politiques, University of Paris. His foreign languages are French, Norwegian, Persian, and German. He was born September 30, 1941, in Hartford, Conn.

Message on the Observance of Armed Forces Day *May 19, 1983*

The 34th observance of Armed Forces Day on May 21, 1983, provides all Americans the opportunity to honor the dedicated men and women who serve in our nation's military services.

Over the years, those wearing the uniforms of our services have played a critical role in the preservation of America's secu-

urity and freedom. They continue to do so. While enduring the hardships of family separation and service in faraway lands, they stand ready to ensure the security of our country and the preservation of freedom in peace. In observing this year's Armed Forces Day, we should make special note of our Armed Forces in the Middle East and

elsewhere whose contributions and sacrifices give hope for a more peaceful tomorrow.

The pride in service to our country is expressed not only by dedication to military duties but also by service to fellow citizens. Wherever they are stationed, our military forces have earned respect and admiration for freely volunteering their time and energies to help their neighbors. They are loyal

citizens of their nation, good neighbors in their communities, and courageous defenders of our way of life.

We are blessed to live in a society that fosters such unselfish service. On this special day, let us all join in expressing our gratitude and appreciation to our fellow countrymen and women who serve so nobly in the Armed Forces.

RONALD REAGAN

Appointment of Richard F. Hohlt as a Member of the Peace Corps Advisory Council

May 19, 1983

The President today announced his intention to appoint Richard F. Hohlt to be a member of the Peace Corps Advisory Council. He will succeed Harry E. Sokolov.

Mr. Hohlt is currently serving as vice president for government affairs at the U.S. League of Savings Institutions in Washington, D.C. Previously he was executive assistant to U.S. Senator Richard G. Lugar (R-Ind.) in 1977–1980; assistant campaign man-

ager for Richard Lugar in 1976–1977; assistant to Mayor Richard Lugar in 1975–1976; assistant to Marion County treasurer in 1973–1976; and internal auditor/systems analyst for the city controller of Indianapolis in 1971–1973.

He graduated from Millikin University (B.S., 1970). Mr. Hohlt resides in Washington, D.C. He was born December 4, 1947, in Indianapolis, Ind.

Appointment of Five Members of the Board of Directors of the Federal National Mortgage Association

May 19, 1983

The President today announced his intention to appoint the following individuals to be members of the Board of Directors of the Federal National Mortgage Association. They are all reappointments for terms ending on the date of the annual meeting of the stockholders in 1984.

Merrill Butler is president of Butler Housing Corp. in Irvine, Calif., and Bullard Homes Corp. in Fresno, Calif. He began his home-building career in 1956 when he founded the Butler-Harbour Construction Co. in Anaheim, Calif. He is president of the National Association of Home Builders and is a member of the advisory committee of the Federal Home Loan Mortgage Corporation. He graduated from the University of Southern California in 1948. He is

married, has three children, and resides in Corona Del Mar, Calif. He was born February 18, 1925.

James B. Coles has been engaged as a general contractor and owner and chairman of the board of James B. Coles, Inc., and the Coles Development Co., Inc., in San Diego, Calif., since 1972. He is a member of the National Association of Home Builders and serves on the executive board and board of directors of San Diego State University. He graduated from San Diego State University (B.A., 1967). He is married, has two children, and resides in Del Mar, Calif. He was born September 29, 1941.

Bert A. Getz has been president and director of the Globe Corp., a family-owned holding company in Scottsdale, Ariz., since 1959. He has

also served as director of the Arizona Bank since 1970 and the First National Bank of Winnetka since 1968. He graduated from the University of Michigan (B.B.A., 1959). He is married, has three children, and resides in Scottsdale, Ariz. He was born May 7, 1937.

Dianne E. Ingels is an independent real estate broker, investor, and consultant in Colorado Springs, Colo. She was president and broker of Ingels Co. in 1976–1977. She was a partner with Smartt-Ingels and Associates, Realtors, in 1968–1975. She was appointed to the Colorado Springs Urban Renewal Commission in 1972 and was elected chairwoman of the commission in 1974. She graduated from the University of Colorado (B.S., 1963) and New York University

(M.S., 1964). She resides in Colorado Springs, Colo., and was born August 8, 1941.

James E. Lyon is currently chairman of the board and chief executive officer of the River Oaks Bank and Trust Co., the River Oaks Financial Corp., and Ruska Instruments Corp. He also is a member of the World Business Council, the American Institute of Banking, the Houston Bankers Association, the National Board of Realtors, the Texas Real Estate Association, the Houston Board of Realtors, and the Houston Home Builders Association. Mr. Lyon attended Rice University and the University of Houston. He has three children and resides in Houston, Tex. He was born August 25, 1927.

Statement on Senate Action on the Fiscal Year 1984 Budget *May 20, 1983*

Last Tuesday [President's news conference of May 17] I said to the Nation:¹

"It is time to draw the line and stand up for the people. I will not support a budget resolution that raises taxes while we are coming out of a recession. I will veto any tax bill that would do this; and I will veto

spending bills that would rekindle the fires of inflation and high interest rates. The American people did not send us to Washington to continue raising their taxes, spending more on wasteful programs, or weakening our defense. They sent us here to stop that."

I meant it then, and I mean it now.

Statement on the Swearing in of Joseph Sherick as Inspector General of the Department of Defense *May 20, 1983*

When I promised the American people to "follow every lead, root out every incompetent, and prosecute any crook who's cheating the American People", I did not grant the Department of Defense an exemption.

Today Joseph Sherick, who has been heading the Office of Review and Oversight, was sworn in as the first statutory Inspector General for the Department of Defense. He is a 33-year government veteran of financial and budget management, and this experience, combined with the

proven integrity and conviction of purpose, earns him my complete support.

In April 1981 the Secretary of Defense established, administratively, the first department-wide Office of Review and Oversight. When creation of a statutorily required, Presidentially appointed Inspector General position was introduced in Congress, I gave my complete support.

Under Mr. Sherick's stewardship over the past 2 years, about \$12.7 billion has been saved or put to better use as a result of work done by DOD's 17,500 auditors, inspectors, and investigators. Over the same

¹ See page 722 of this book.

period, DOD auditors issued over 160,000 reports. Questioned costs of over \$10.5 billion were sustained as a result of audits of DOD contracts, and \$13.8 million was recovered by restitution or other means. Over 20,000 investigations were closed, and 18,700 new ones were opened. Establishment of a Defense Hotline on fraud, waste, and abuse resulted in over 6,000 calls and letters over the past 2 years.

As an example of the valuable contribution Mr. Sherick's office is making, a 1982 audit found that \$361.1 million could be saved through consolidation of two defense satellite programs. Management agreed that the entire amount is achievable savings.

To further illustrate the trend toward more aggressive pursuit of fraud, waste, and abuse, Mr. Sherick, in 1982, established the Defense Criminal Investigative Service as a separate investigative unit concentrating on white-collar crime. It currently has 355 open investigations, of which 152 are contract fraud cases. Before that time, only limited and uncoordinated efforts were made to detect white-collar crime.

Mr. Sherick has a proven record of achievement in both detecting and preventing fraud, waste, and abuse, and I am pleased to have him join my team of Inspectors General, our first line of defense in attacking fraud, waste, and abuse.

Remarks at La Esquina de Tejas Restaurant in Miami, Florida

May 20, 1983

Thank you all. Thank you all very much, and let me reassure you, I know that some of you will probably be present in a little while when I've got to make a speech, so I won't make two of them, or I won't make the one twice. [*Laughter*]

But I just want to say, again, this hospitality and the warmth of your greeting and all is a very heartfelt experience for me. I'm grateful to all of you. I'm also more full than I should be. [*Laughter*] But it was wonderful.

And I can't help but think, though, seriously, how much of the problem that's on all of our minds, how much of it is evident—there is a sermon or a speech in the menu, because is there anyplace in Cuba, outside of maybe the Presidential Palace,

where that menu could still be served? [*Applause*]

Just before boarding the plane this morning I was handed a little report, and Cuba is not even able to meet its quota now for its customers in its principal crop, sugar. And I've been told since I've been here, they're importing that. And if ever there was an explanation of the difference between freedom and what they now have there, it's all told in what we've been eating here in the menu, because that's no longer available there.

And if I go on any longer, I will be making the speech that I'm going to make later. So, I better not do that. [*Laughter*] But thank you all very much. Thank you.

Note: The President spoke at 12:35 p.m. following lunch at the restaurant.

Remarks at a Cuban Independence Day Celebration in Miami, Florida

May 20, 1983

Thank you. Thank you all very much. Senator Hawkins, Members of the Congress, Jorge Mas, Carlos Salman, ladies and

gentlemen:

It's a great pleasure for me to be with a group of Americans who have demonstrat-

ed how much can be accomplished when people are free. Many of you arrived in this country with little more than the shirts on your backs and a desire to improve your well-being and that of your family. You came with a willingness to work and, yes, a consuming passion for liberty. There's a name for this kind of spirit. It's called the American spirit, and there's no limit to what it can do.

But let me interrupt myself here and say something about that American spirit. We could also say it's a Western Hemisphere spirit, because one of the great, unique things about this Western Hemisphere is that in all of our countries—yours, from the islands of the Caribbean to South, to Central America, and to North America, from the South Pole to the North Pole, with all of our countries, we can cross the boundary line into another country, and we're still surrounded by Americans, because we are all Americans here in the Western Hemisphere.

Examples of this spirit abound. Jorge Mas, chairman of the Cuban American National Foundation, came here 20 years ago, worked as a milkman to support himself. Today he owns a construction company that provides hundreds of people with meaningful employment. And when he isn't running his country—or company, he's immersed in activities like this one, trying to protect the freedom that has been so important in his life. Jorge Mas, thank you for all that you've done and all you're doing.

But Jorge's success story is no isolated example. There are so many. You know them—people like Armando Codina who came here alone as a child, his parents unable to leave Cuba, so he was sent to an orphanage and then to a foster home. It took courage for this little boy to begin his new life. But now, at 35, he has a string of business accomplishments of which any individual many years his senior would be proud.

The world renowned ballet dancer, Fernando Bujones, is a Cuban American.

In my administration, we have Jose Manuel Casanova. He is the United States Executive Director of the Inter-American Development Bank.

And I have an announcement to make

today that concerns another outstanding Cuban American, Dr. Jose Sorzano. He is currently our Representative on the Economic and Social Council of the United Nations. He's a distinguished scholar, specializing in political philosophy, history, and Latin America. And I want you to know—to be the first to know—that I intend to nominate Dr. Sorzano to be one of our nation's highest diplomats, to the post of Deputy U.S. Representative to the United Nations.

One of the TV cameramen with us today is Eduardo Suarez. He came to America just a few short years ago and recently won a Florida Emmy for his excellence as a television news photographer. Eduardo, congratulations.

The list goes on and on. People from every walk of life, of every race and family background, have made their mark in just about every corner of American society. A few months ago, I was honored to welcome to the White House a famous runner, Alberto Salazar. I didn't know what to say. He gave me a pair of running shoes—[laughter]—but I'm not sure what kind of a race he wanted me to run in. [Laughter]

Clearly, this country in America, the United States, has been good for you. But you have also been good for all of America and for the United States and for Miami. And I add, and for Miami. Twenty-five years ago, there were those who thought Miami had reached its peak and was on the way down. The economy seemed stagnant. There was little hope in sight. Today, Miami is a vibrant international center, a gateway to Latin America.

The stark contrast between your life and that of the neighbors and loved ones that you left behind in Cuba stands as evidence to the relationship between freedom and prosperity.

About 10 million people still live in Cuba, as compared to about 1 million Cuban Americans—people with the same traditions and cultural heritage, yet the Cubans in the United States, with only one-tenth the number, produce almost two times the wealth of those they left behind. So, don't let anyone fool you: What's happening in Cuba is not a failure of the Cuban people; it's a failure of Fidel Castro and of commu-

nism.

The Soviet Union with all its military might, with its massive subsidy of the Cuban economy, can't make the system produce anything but repression and terror.

It reminds me of the story—I happen to collect stories that the Soviet people are telling each other, the Russian people. It indicates their cynicism with their own system. This is a story of a commissar who visited one of their collective farms, and he stopped the first farmer, workman that he met, and he asked about life on the farm. And the man said, "It's wonderful. I've never heard anyone complain about anything since I've been here." And the commissar then said, "Well, what about the crops?" "Oh," he said, "the crops are wonderful." "What about the potatoes?" "Oh, sir," he said, "the potatoes," he said, "there are so many that if we put them in one pile they would touch the foot of God." And the commissar said, "Just a minute. In the Soviet Union there is no God." And the farmer said, "Well, there are no potatoes either." [Laughter]

Cuban Americans understand perhaps better than many of their fellow citizens that freedom is not just the heritage of the people of the United States. It is the birthright of the people of this hemisphere. We in the Americas are descended from hearty souls—pioneers, men and women with the courage to leave the familiar and start fresh in this, the New World. We are, by and large, people who share the same fundamental values of God, family, work, freedom, democracy, and justice. Perhaps the greatest tie between us can be seen in the incredible number of cathedrals and churches found throughout the hemisphere. Our forefathers took the worship of God seriously.

Our struggles for independence and the fervor for liberty unleashed by these noble endeavors bind the people of the New World together. In the annals of human freedom, names like Bolivar and Marti rank equally with Jefferson and Washington. These were individuals of courage and dignity, and they left for us a legacy, a treasure beyond all imagination.

But today, a new colonialism threatens the Americas. Insurgents, armed and direct-

ed by a faraway power, seek to impose a philosophy that is alien to everything which we believe and goes against our birthright. It's a philosophy that holds truth and liberty in contempt and is a self-declared enemy of the worship of God. Wherever put into practice, it has brought repression and human deprivation. There is no clearer example of this than Cuba.

The people of Cuba have seen their strong independent labor movement—which existed before 1959—destroyed by a regime that shouts slogans about its concern for the workers; the suppression of the church, including the right of the church to broadcast and print God's word. It is a new fascist regime, where freedom of speech and press of every opposition group has been stamped into the ground with ideological zeal. And it doesn't stop there. Young Cubans are pressed into the military and sent to faraway lands, where hundreds have been killed, to do the bidding of a foreign government, defiling their hands with the blood of others, not serving their own interests, but propping up leaders who have no popular support.

But the people of Central America, with our support, have chosen a different course—freedom, pluralism, and free economic development. They, and we, are committed to this course and will not tolerate Mr. Castro's efforts to prevent it. They, and we, want Central America for Central Americans, and that's the way it's going to be.

The declining Castro economy continues to make a grotesque joke out of the ideological claims that Marxism is for the people. Nearly a quarter of a century after the Cuban revolution, the Cuban people continue to face shortages and rationing of basic necessities. Once one of the most prosperous countries in all of Latin America, it is rapidly becoming the most economically backward in the region, thanks to the Communist system.

You know, they say there are only two places where communism works: in heaven, where they don't need it—[laughter]—and in hell, where they've already got it. [Laughter]

And now, there is strong evidence that

Castro officials are involved in the drug trade, peddling drugs like criminals, profiting on the misery of the addicted. I would like to take this opportunity to call on the Castro regime for an accounting. Is this drug peddling simply the act of renegade officials?, or is it officially sanctioned by the present Government of Cuba? The world deserves an answer.

On this day, we celebrate Cuban independence, something special for the people of the United States as well as Cuba. Eighty-five years ago, we joined together and fought side by side, shedding our blood to free Cuba from the yoke of colonialism. Sadly, we must acknowledge that Cuba is no longer independent. But let me assure you: We will not let this same fate befall others in the hemisphere. We will not permit the Soviets and their henchmen in Havana to deprive others of their freedom. We will not allow them to do that to others. And some day Cuba, itself, will be free.

The United States stands at a crossroads. We can no longer ignore this hemisphere and simply hope for the best. José Martí, the hero of Cuban independence, a man who spent so many years of his life with us in the United States, said it well: "It is not enough to come to the defense of freedom with epic and intermittent efforts when it is threatened at moments that appear critical. Every moment is critical for the preservation of freedom."

Now is the time to act reasonably and decisively to avert a crisis and prevent other people from suffering the same fate as your brothers and sisters in Cuba. Ironically, our biggest obstacle is not foreign threats, but a lack of confidence and understanding. There are far too many trying to find excuses to do nothing. If we are immobilized by fear or apathy by those who suggest that because our friends are imperfect, we shouldn't help them, if those trying to throw roadblocks in our path succeed and interpose themselves at a time when a crisis could still be averted, the American people will know who is responsible and judge them accordingly.

But as I told the Congress a few weeks ago, we've still got time, and there is much that can be done. The Congress can, for example, enact those trade and tax provi-

sions of the Caribbean Basin Initiative that will put the power of free enterprise to work in the Caribbean. The Congress rightly believes that we must not totally focus our efforts on building the military capabilities of our friends. I agree. That's why 75 percent of what we've asked for is economic, not military aid.

But we must realize that our friends cannot be expected to stand unarmed against insurgents who've been armed to the teeth by the Soviet-Cuban-Nicaraguan axis. Any excuse for not providing our friends the weapons they need to defend themselves is a prescription for disaster. And again, those who advocate ignoring the legitimate defense needs of those under attack will be held accountable if our national security is put in jeopardy.

Teddy Roosevelt is known to have said, "Speak softly and carry a big stick." Well, there are plenty of soft speakers around, but that's where the similarity ends. *[Laughter]*

Let there be no mistake. What happens in Latin America and the Caribbean will not only affect our nation but also will shape America's image throughout the world. If we cannot act decisively so close to home, who will believe us anywhere? Knowing this, I recently nominated a special envoy, a strong leader, an individual eminently qualified to represent us in this vital region and to work closely with the Congress to ensure the fullest possible bipartisan cooperation. He's a man in whom I have the highest confidence and respect, a man you know well, former Senator Richard Stone.

When Senator Stone is confirmed, he will be directly involved with those seeking regional solutions to the problems in Central America. We are fully supportive of good faith efforts like the so-called Contadora Group, seeking to calm tensions and avert conflict. We hope that they'll be able to make progress, and we welcome the participation of all nations in the Americas who have a vital stake in Central America.

There is, of course, one top priority item on the agenda I've yet to mention. The Cuban people, as is the case in most Communist dictatorships, have been cut off from

information. Many of the folks who've come to America in recent years, for example, didn't even know that Cuba had tens of thousands of troops in Africa, much less know about the casualties they've suffered. The greatest threats to dictators like Fidel Castro is the truth. And that's why I'm urging the Congress to approve legislation for the establishment of Radio Marti.

And let me state one thing for the record. There have been certain threats made about jamming the frequency of our domestic radio stations should we broadcast to Cuba. Such threats are evidence of the frightened and tyrannical nature of Castro's regime. Well, I can guarantee you today, we will never permit such a government to intimidate us from speaking the truth.

Cuban Americans play a unique role in the preservation of our freedom. Your Hispanic heritage enables you to better relate our good will to our friends in neighboring countries to the south. But you also have a responsibility here at home. I think one of our most dangerous problems in America is that many of our own people take our blessed liberty for granted.

In 1980 a Cuban scholar named Heberto Padilla came to the United States after spending 20 years under Castro. He marveled at what he saw, something that he hadn't even noticed during his visit here 20 years ago. When visiting the campuses of our major universities, he said, "I am struck by something that will be obvious to all Americans: No one, government official or colleague, has asked me what I was going to say in the seminars and courses that I'm going to give this fall. This is new for me. Simple, but true. It is difficult to ask anyone born into freedom to realize exactly what she or he possesses."

Well, Mr. Padilla went on to explain that freedom is invisible. It is the absence of the government censor, the absence of the secret police, the absence of an agent of repression.

You know, I couldn't help but think when those beautiful young people were here singing our two national anthems, so many—and so many of you—only know about the Cuba that some of us know about, the free Cuba, from hearing us talk about it. And you have a great responsibility to make

sure that your sons and daughters, growing up, know of that other Cuba and share in your hopes and dreams. And we all have a responsibility to see that our young people in America who have come along at a later time know about a Cuba that was free.

Perhaps the best gift that you can give to your fellow citizens—and you've already contributed so much to our well-being—is a better understanding of that which they cannot see—the human freedom that surrounds them. Perhaps you can help them understand something that you know instinctively—the awesome responsibility that we have as Americans. For if we fail, there will be no place for free men to seek refuge. I'm counting on you to help me explain the threats in Central America, the threats you recognize so clearly.

Each generation of Americans bears this burden, and we're grateful to have you with us, sharing this heavy weight upon your shoulders. Teddy Roosevelt, a man who fought alongside your forefathers for Cuban independence, said, "We, here in America, hold in our hands the hope of the world, the fate of the coming years; and shame and disgrace will be ours if in our eyes the light of high resolve is dimmed, if we trail in the dust the golden hopes of men."

Today, let us pledge ourselves to meet this sacred responsibility. And let us pledge ourselves to the freedom of the noble, long-suffering Cuban people. *Viva Cuba Libre. Cuba, si; Castro, no.*

Thank you. Thank you. Thank you for having me here with you today, and *vaya con Dios*.

Note: The President spoke at 1:35 p.m. at the Dade County Auditorium following remarks and an introduction by Senator Paula Hawkins.

Prior to his remarks, the President met at the auditorium with leaders of the Cuban American National Foundation, an independent, nonprofit organization that hosted the celebration in recognition of Cuba's independence from Spain on May 20, 1902. The President then held a separate meeting at the auditorium with Florida Hispanic

Republican leaders.

Following the conclusion of his remarks

at the celebration, the President returned to Washington, D.C.

Nomination of Jose S. Sorzano To Be Deputy United States Representative to the United Nations

May 20, 1983

The President today announced his intention to nominate Jose S. Sorzano to be the Deputy Representative of the United States of America to the United Nations, with the rank and status of Ambassador Extraordinary and Plenipotentiary. He would succeed Kenneth L. Adelman.

Dr. Sorzano is currently serving as the Representative of the United States of America on the Economic and Social Council of the United Nations. Previously he was associate professor of government at Georgetown University. He conducted lectures and seminars at Georgetown University's School of Foreign Service. In 1976-1979 he was Director of the Peace Corps in Bogotá, Colombia, and supervised the largest Peace Corps program in Latin America.

He was escort interpreter with the Department of State in 1963-1965.

Dr. Sorzano is a recipient of many honors and awards, including the Superior Achievement Award for outstanding performance of the duties and responsibilities of a Peace Corps Country Director (1977) and a two-step meritorious increase in recognition of having tripled Peace Corps programs in Colombia without increasing administrative and managerial costs (1979).

He graduated from Georgetown University's School of Foreign Service (B.S.F.S., 1965; Ph. D., 1972). He is married, has two children, and resides in Arlington, Va. He was born in Havana, Cuba, on November 9, 1940.

Remarks at a Tribute to Bob Hope at the Kennedy Center

May 20, 1983

Just think, if you haven't heard it before, Bob Hope is 80 years old. Bob, can I call you "pops"? [*Laughter*] You know, I just love it when he calls me "kid." [*Laughter*]

We all know that Bob will stay eternally young. And, certainly, work keeps Bob young. We were up at the ranch. I was showing him some of the livestock, and I got called away to the phone. And when I came back, he was doing a monolog to the horses. [*Laughter*] And the horses were laughing. [*Laughter*]

Tonight, we are celebrating not only Bob's birthday but his anniversary. This is the 42d year that he and the USO have been serving those who faithfully serve us: the men and women in America's Armed Forces.

You know, there are some pleasures in being President. But one of the things that makes me proudest is our men and women in uniform. You've seen some of them here tonight. We have a number of ceremonies at the White House with honor guards and well-turned-out troops. And on such occasions, I look at them, and I find myself thinking of where these soldiers, sailors, and marines hail from: the cities, the small towns, and the farms all across this land. And I find there's something moving about that. I see them doing their part for our country, and I want to grab their hands and tell them how much the Nation appreciates their services—tell how honored we are to have them defending us. You can't look at their faces and do anything but burst with

pride in these young people. And that's why, as President, I'm trying to do all I can for them. And that's why Bob and the USO have done so much for over 40 years.

I want to thank the more than 40,000 USO volunteers who generously give of their time and of themselves. Thank you for reaching out to our men and women in uniform, letting them know that, even though they're far away from home, we think of them. And we care.

And now, on behalf of the Nation, let me say to the number one USO volunteer, happy birthday, Bob. And thanks for the memories.

Note: The President spoke at 8:10 p.m. at the John F. Kennedy Center for the Performing Arts.

As printed above, this item follows the text of the White House press release.

Address at Commencement Exercises at Seton Hall University in South Orange, New Jersey

May 21, 1983

I've been sitting here as the protocol was recognized of acknowledging all those distinguished people who are here, and then, before I could think of anything proper to maybe avoid that, Pearl Bailey, as she has done to so many for so many years, topped anything that I could think of. Ditto. [Laughter]

I thank you all, though, very much for inviting me here today, and I'm deeply honored by the degree that you've chosen to confer on me—and especially so because I'm sharing it with two people I greatly admire. Gary Nardino is a man of true achievement in an industry that has played a big part in my life. And Pearl Bailey is a great lady and a long-time, dear friend who combines the wonderful gift of entertaining with an even more precious one, the ability to lift the human spirit and inspire it. And I'm honored to be in such company.

At the same time, as has been acknowledged today, that you are here, filled with mixed emotions; so am I. This honorary degree—you see, I've nursed a feeling of guilt for a half a century that the first one I got was honorary. [Laughter] Besides, if there's one place where I always feel at home, it's an athletic field—[laughter]—even if you don't play football on it anymore. [Laughter] Come to think of it, I don't play football anymore. [Laughter] Anyway, I understand that the baseball team has a good season.

And, Dr. D'Alessio, speaking as one President to another, I was very impressed to learn that when you joined Seton Hall, the university was operating in the red. And in 2 short years, you've turned things around. What's your secret? [Laughter] And, please, don't just tell me. Tell the Congress. [Laughter] It's already too late for me to break your 2-year record, but we need all the help we can get in Washington to work toward a balanced budget.

Something I've noticed in attending graduations over the years is the way time has a habit of catching up with you. First, you start to notice that you're older than the students. And next, you begin to realize that you're older than most of the faculty. [Laughter] But today marks a new first for me. I'm even senior to the Jubilarians who are gathered here today. [Laughter] They graduated in 1933. Well, I'm class of '32—[laughter]—Eureka College. And you immediately say to yourself, "Where is that?" And if I tell you, you won't know any more than you know now. [Laughter] It's in Eureka, Illinois. [Laughter]

That was 51 years ago or, to put it another way, just 76 years after the founding of Seton Hall. To you members of the class of '83, I'm sure that seems like a long, long time ago, and you're right. The world has seen things happen—great miracles and great tragedies that no one could have dreamt of 51 years ago. Back then, the big

breakthroughs were propeller aircraft that could fly as far as Paris, movies that could talk, and a thing called radio that had a voice but no picture. I heard a little boy one day come in the house to his mother and say that he'd just been next door with his friend. And he said, "You know, they've got a box over there that you can listen to, and you don't have to look at anything."
[Laughter]

Yet, if today's technology is more sophisticated than anything we had around in 1932, some things—and some very important things—remain the same. Just to give you one example, I can remember thinking, on my graduation day, that it was a time for me and my friends and my teachers and my family. And the commencement speaker seemed to be an intruder at a private party—an outsider at an intimate celebration of moments shared all leading up to this very special day.

Now, I can't believe that it feels very much different for you today, even though the *Spirit of St. Louis* has been outpaced by rockets to the Moon, and today's high technology makes the radios and the films and industrial efforts of that earlier day seem as remote as the Stone Age. I know there's some of you probably think that my first degree was engraved in a stone tablet.
[Laughter]

I know that surface appearances have changed a lot. Looking back, for example, to Seton Hall's freshman rules for 1927, I notice that red caps and black socks were "to be worn at all times" by freshmen and that knickers, bow ties, and mustaches were banned. [Laughter] About the only place left today where you encounter regulations that silly is in the Federal bureaucracy, and we're trying our best to get rid of them there. [Laughter]

What I do sense here today—and whenever I visit with young Americans—and that is the same unquenchable spirit that I remember among my own classmates at Eureka College so long ago. Ours, too, was a time of great change and uncertainty. Many of the things that our parents had taught us to take for granted suddenly seemed very fragile or even lost. Economic excess, lack of vision among world leaders, and the forces of change had brought on a

Great Depression and unleashed evil and extremism in many parts of the globe.

I know that on this day, you look forward with some trepidation, wondering if there's a place for you in a world that is sunk in a deep recession. Well, the classes of 1932 faced a world in the very bottom of the Great Depression, when unemployment was greater than 25 percent. The situation was the same for the class of '33. It hadn't changed any. The Federal Government used radio with regular announcements every day urging people not to leave home seeking work, because there were no jobs. But here we are a half a century later, and it's been a half a century of ever-increasing opportunity for us and adventure. And we've found that life has been good.

We had our share of suffering in America, greater suffering than this country has ever known since. But something held true, something that still lives in the American spirit, your spirit. More than half a century and countless other trials later, some of that spirit is captured, appropriately enough, in the words that the late Cardinal Spellman used to describe Mother Seton herself. "She was not," he wrote, "a mystical person in an unattainable niche. She battled against odds in the trials of life with American stamina and cheerfulness; she worked and succeeded with American efficiency."

Well, these qualities of faith and common sense and dedication, if you can cultivate and keep them, will see you through lifetimes that will not only be rich in meaning for you as individuals but which will also leave behind a better country and a better world. And that'll make all the effort that you've put into your school years and all the sacrifice of parents and other loved ones who've helped to see you through worth many times their cost.

You who are graduating have taken virtually your entire lives to reach this moment. To you it seems like a very long time. But there are others here today, parents and grandparents who share this day with you. And as they look back, it seems as if the journey only started yesterday. As a matter of fact, they can remember when if you took their hand, your hands were so tiny they only could encompass one finger. But

you left an imprint on that one finger that they can still feel today. So, for everyone, it's a day of nostalgia, of looking back on a montage of memories and, for you, looking ahead, perhaps a little fearfully, seeking a clue to what the future holds.

And possibly that explains the paradox of calling the day "graduation" at the same time that we call it "commencement." For even as you graduate today and commence life's journey in the outside world, you draw closer to the day when you, in your turn, will be the parents of another generation of young Americans. And, not long after that, your children will begin their own school-days.

What kind of a world is it that you face now, on the brink of a new chapter in your lives; and what kind of a world will your children, in their time, face? Someone once said of our country that "We soared into the 20th century on the wings of invention and the winds of change." Well, in a few years' time, we Americans will soar into the 21st century, and again it will be on the wings of invention and the winds of change. And you will have been responsible for much of that change. In large measure, the quality of your individual lives, and your children's lives, will be determined by the quality of the education that you've received—at home and at school—to prepare you for this new world of challenge, innovation, and opportunity.

Abraham Lincoln is supposed to have said that the best thing about the future is that it comes only one day at a time. In this modern age, it often seems to come a little more quickly than that. Our nation is speeding toward the future at this very moment. We can see it coming, if not in sharp detail at least in broad outline.

In your history books you've read about the Industrial Revolution. Well, today, we're living the beginnings of another revolution—a revolution ranging from tiny microchips to voyages into the infinity of space; from information retrieval systems that can bring all of the great literature and films and music within reach of a family video unit, to new methods of health care and healing that will add years of full active existence to your lifespans.

The other day I was shown a little tiny

piece of fiber. It looked almost like something of a decoration. I was told that this was part of a satellite system that can transmit the entire Encyclopaedia Britannica in 3 seconds.

But for you to take advantage of all these awesome new advances—and for your children to—we must forge an education system capable of meeting the demands of change. And the sad fact is that, today, such a system does not exist in its entirety. Oh, there are plenty of outstanding schools—present company included—and thousands of dedicated teachers and school administrators. But, taken as a whole, we have to feel that many of our high schools are not doing the job they should.

Since 1963 Scholastic Aptitude Test scores have demonstrated a virtually unbroken decline. Thirty-five of our States require only 1 year of math for a high school diploma, and 36 require only 1 year of science. When compared to students in other industrialized nations, we've begun to realize that many of ours place badly. And it's been estimated that half of our country's gifted young people are not performing up to their full potential. That's a criminal waste of our most precious natural resource, you, our sons and daughters.

Now, there was a time, not too long ago, when the solution to this problem would have been summed up by most politicians in one big five-letter word: "money." Just pour more money on the problem, the conventional wisdom went, and it would go away.

Well, they tried that approach and it failed. In spite of all those stories you may have been hearing about spending cut-backs, total expenditures in the Nation's public schools this year, according to the National Education Association, are expected to reach \$116.9 billion. Now, that's up 7 percent from last year and more than double what it was just 10 years ago. So, if money was the answer, the problem would have been shrinking rather than growing for the last 10 years.

Right about now, I expect some of you are saying to yourselves, "Well, that's what I would expect to hear from a fellow like that. He's a conservative." But don't take

my word for it. Listen to what a former Secretary of Health, Education, and Welfare—a card-carrying liberal, Joseph Califano, who served under my immediate predecessor, had to say on the subject. He said, “I came to HEW enthusiastic about the opportunity to improve education in America, and determined to step up Federal funding sharply.” And then he wrote, “I left alarmed over the deterioration of public education in America and troubled by the threat to academic freedom that the Federal role, enlarged and shaped by special interests, poses.”

Well, I couldn’t agree more. And I know that former Secretary Califano also spoke for thousands of parents, teachers, students, and school administrators who have found themselves caught in a tangle of conflicting, time-consuming Federal regulations. The road to better education for all our people simply cannot be paved with more and more recycled tax dollars collected, redistributed, and overregulated by Washington bureaucrats.

But there is much that the Federal Government can do to help set a national agenda for excellence in education, a commitment to quality that can open up new opportunities and new horizons to our young people. I’ll have a little more to say about that in the weeks ahead. But on this special day, let me just cite a few common-sense goals and guiding principles. Some of them may be familiar to you. They should be, because they’ve helped to make the teaching that many of you have received here at Seton Hall and in your primary and secondary schools outstanding. And they can make the teaching your younger brothers and sisters and your children receive even better.

To begin with, the time has come for a grassroots campaign for educational renewal that unites parents, teachers, and concerned citizens. We spend more money per child for education than any other country in the world. We just haven’t been getting our money’s worth. And we won’t until we reverse some of the dangerous trends of recent years. And that means restoring parents and local government to their rightful role in the educational process.

Perhaps the biggest irony about the prob-

lems facing American education today is the fact that we already know what makes for good schools—leadership from principals and superintendents, dedication from well-trained teachers, discipline, homework, testing, and efficient use of time. [*Applause*] I noted where that applause started from. [*Laughter*] All of these things can be improved without increasing Federal funding and interference—and with only modest increases in local and State support.

One of the best ways to do this—and, unfortunately, it’s opposed by some of the heaviest hitters in the national education lobby—is by rewarding excellence. Teachers should be paid and promoted on the basis of their merit and competence. Hard-earned tax dollars should encourage the best. They have no business rewarding incompetence and mediocrity.

And we can also encourage excellence by encouraging parental choice. And that’s exactly what we’re trying to do through our programs of tuition tax credits and vouchers, allowing individual parents to choose the kinds of schools they know will be best for their children’s needs. America rose to greatness through the free and vigorous competition of ideas. We can make American education great again by applying these same principles of intellectual freedom and innovation—for individual families, through the vouchers I mentioned and tuition tax credits, and for individual public school systems, through block grants that come without the redtape of government regulations from Washington attached.

And although I know that this idea is not too popular in some supposedly sophisticated circles, I can’t help but believe that voluntary prayer and the spiritual values that have shaped our civilization and made us the good and caring society we are deserve a place again in our nation’s classrooms.

Well, I could go on and on; but don’t worry, I won’t. [*Laughter*] This is your graduation, not my state-of-the-schools address. [*Laughter*] So, I’ll save the details for more appropriate forums in the weeks and months ahead.

Today is your day, graduates, teachers, friends, and family. And it’s a day for you to remember not for anything that I’ve had to

say, but for what it will mean to you for the rest of your lives. And I—and speaking for those people over there in that particular section—tell you, you'll be amazed a half a century down the road at how clearly and how warmly the memories of these last few years will stay with you and how much they'll mean to you.

With an economy that's growing healthier every day, with a country that's still strong in freedom and growing stronger in opportunity, your lives can be as good and productive and as meaningful as you are willing to make them.

Pope John wrote of Mother Seton that "She flourished in holiness precisely at the time when the young United States was beginning to take its important place among the peoples of the world." Well, so, too, can each of you, for we are still a young nation. And we have a place to take in the world. I know of no nation in a better position than to lead the world out of the morass of hatred and rivalry and to freedom for all mankind than the United States.

You've been given special blessings, special gifts, families that care, that have given you the values of honesty, hard work, and faith that has seen you through the formative years of your lives; teachers who've taught you to think and to learn in preparation for productive careers; and a country that, for all its faults, is still what Lincoln called it more than a century ago: "the last, best hope of Earth."

Now, I know there are certain clichés and things that go with commencements, such as a graduation speaker is supposed to tell you you know more today than you've ever known before or that you'll ever know again. I won't say that. *[Laughter]* But if I could do something else that probably is all too often done, would you listen for a moment to a little advice and based on personal experience?

Because this graduation year is so similar to that one of 50 and 51 years ago, in the depths of that Great Depression, I remember, diploma in hand, going back to my summer job that I'd had for 7 years, life-guarding on a river beach out there in Illinois. And I remember all—you didn't think of career, listening to those announcements I mentioned a little while ago on the

radio—all you thought about was how, how when the beach closes this fall, where do I go? What job is there?

And I was fortunate. A man who had survived the Great Depression until then, and was doing well out in the business world, gave me some advice. He said, "Look, I could tell you that maybe I could speak to someone and they might give you a job. But," he said, "they'd only do it because of me." And then he said, "They wouldn't have a particular interest in you." He said, "May I tell you that even in the depths of this depression," and so I will say to you even in the depths of this recession, there are people out there who know that the future is going to depend on taking young people into whatever their undertaking is and starting them out so that—whether it's business, industry, or whatever it might be—it will continue on.

"Now," he said, "a salesman has to knock on a lot of doors before he makes a sale. So," he said, "if you will make up your mind what line of work you want to be in, what industry, what business, whatever it is, profession or other," he said, "and then start knocking on doors, eventually you'll come to one of those men or women who feels that way. And all you have to do—don't ask for the particular job you want; tell them you'll take any job in that industry or that business, whatever it may be, because you believe in it and its future and you'll take your chances on progressing from there."

Well, my means of travel in that early era was hitchhiking, and I hitchhiked from one radio station to another. Radio was the most new industry of that time. And he was absolutely right. I came to one one day when I was just about out of shoe leather and didn't know how much further I could go. And I started on a career that led to another career, and that led to some things that are more visible today. *[Laughter]*

But he was right. And so I say it to you, I pass on his advice to you. Don't get discouraged with the situation of the world. Things are getting better. And believe it, we need you. We need your youth. We need your idealism. We need your strength out there

in what we're trying to accomplish today. So, welcome to the world.

The world you inherit today may not always be an easy one, for nothing worth winning is easily gained. But it's a good world, and it's a world that each of you can help to make a better one. What greater gift than that—what nobler heritage could anyone be blessed with?

So, may I add my congratulations to all of you, good fortune to all of you. And above

all, God bless you.

Thank you.

Note: The President spoke at 10:40 a.m. on the university's athletic field. Prior to his remarks, he was presented with an honorary doctor of laws degree by Msgr. John J. Petillo, chairman of the university's board of regents.

Following his address, the President went to Camp David, Md., where he spent the remainder of the weekend.

Radio Address to the Nation on the Observance of Armed Forces Day

May 21, 1983

My fellow Americans:

Each year we set aside a special day to pay special tribute to our men and women in uniform. Today is Armed Forces Day and, on behalf of a grateful nation, I would like to offer them our thanks and appreciation.

Their job is unusually difficult not only because it involves hardship and danger, or because it requires long periods away from families and loved ones, or even because it may demand the giving of one's life in defense of our nation. The difficulty of the military profession grows out of all of these, plus the fact that our service men and women are always faced with several of the most fundamental questions we ask as individuals and as a nation—the questions of war and peace and the use of force in the world.

Americans have asked these questions again and again for more than 200 years. They're still debating them today. Perhaps the reason these questions persist is because there are no easy answers. The answers lie in seeming paradoxes, underlying truths that may appear contradictory on the surface.

The most fundamental paradox is that if we're never to use force, we must be prepared to use it and to use it successfully. We Americans don't want war and we don't start fights. We don't maintain a strong military force to conquer or coerce others. The

purpose of our military is simple and straightforward: We want to prevent war by deterring others from the aggression that causes war. If our efforts are successful, we will have peace and never be forced into battle. There will never be a need to fire a single shot. That's the paradox of deterrence.

The men and women in our Armed Forces also live with a second paradox. They spend their entire time in service training to fight and preparing for a war which we and they pray will never come. As individuals, these men and women want peace as much as we do as a nation. In fact, they want it even more, because they understand that war is not the romantic heroism we read about in novels or see in the movies, but the stark truth of suffering and sacrifice and the slain promise of youth.

Our service men and women know firsthand the horrors of war and the blessings of peace, but they also know that just wanting peace is not enough to guarantee that peace will be sustained. As George Washington said, "To be prepared for war is one of the most effectual ways of preserving peace."

Today, Americans are again asking important questions about war and peace. Many have been debating two very important questions: How could we prevent nuclear war, and how could we reduce American and Soviet nuclear arsenals?

The answers to these questions are not found in simple slogans, but again, in paradoxes. To prevent nuclear war, we must have the capability to deter nuclear war. This means we must keep our strategic forces strong enough to balance those of the Soviet Union.

It must be absolutely clear to the Soviets that they would have no conceivable advantage in threatening or starting a nuclear war. In seeking to reduce American and Soviet nuclear arsenals, we must convince the Soviet Union that it is in our mutual interest to agree to significant, mutual arms reductions. And to do that, we cannot allow the current nuclear imbalance to continue. We must show the Soviets that we're determined to spend what it takes to deter war. Once they understand that, we have a real chance of successfully reaching arms reduction agreements.

Last month I sent to the Congress a proposal to modernize our intercontinental ballistic missile force. By building the MX Peacekeeper and small, single warhead missiles, we will not only preserve our ability to protect the peace, we will also demonstrate that any Soviet quest for nuclear superiority will not work, that it is in everyone's interest to end the arms race and to agree to mutual arms reductions.

There's a direct relationship between modernization programs, like the MX Peacekeeper, and the twin objectives of deterrence and arms control. The MX and other modernization measures will help us

to achieve our fundamental goal, and that is to strengthen the peace by seeking arms reduction agreements that make for more security and stability by reducing overall force levels while permitting the modernization of our forces needed for a credible deterrent.

I know that the paradox of peace through a credible military posture may be difficult for some people to accept. Some even argue that if we really wanted to reduce nuclear weapons we should simply stop building them ourselves. That argument makes about as much sense as saying that the way to prevent fires is to close down the fire department. It ignores one of the most basic lessons of history, a lesson that was learned by bitter experience and passed down to us by previous generations.

Tyrants are tempted by weakness, and peace and freedom can only be preserved by strength. So, let us resolve today, as we honor the brave men and women who serve in our Armed Forces, to give them the support they need to protect our cherished liberties and preserve the peace for ourselves and our children.

Till next week, thanks for listening, and God bless you.

Note: The President taped his radio address in the Diplomatic Reception Room at the White House on Friday, May 20, for broadcast on May 21. The transcript of the address was released by the Office of the Press Secretary on May 21.

Message on the Persecutions and Repression in Iran May 22, 1983

America and the world are increasingly alarmed and dismayed at the persecution and severe repression of the Baha'is in Iran. Recently we have learned that the Government of Iran has sentenced 22 prominent members of the Baha'i faith to death. This is in addition to the more than 130 who have been killed since the beginning of the revolution in Iran, including one man executed January 1, 1983, and three

hanged in Shiraz on March 12, 1983.

These individuals are not guilty of any political offense or crime, they have not plotted the overthrow of the regime, and they are not responsible for the deaths of anyone. They only wish to live according to the dictates of their own consciences. I strongly urge other world leaders to join me in an appeal to the Ayatollah Khomeini and the rest of Iran's leadership not to imple-

ment the sentences that have been pronounced on these innocent people. Sparing

their lives would be a step forward for Iran and the world community.

Executive Order 12422—Level IV of the Executive Schedule May 20, 1983

By the authority vested in me as President of the United States of America by Section 5317 of Title 5 of the United States Code, in order to place an additional position in level IV of the Executive Schedule, Section 1-101 of Executive Order No. 12154, as amended, is further amended by adding thereto the following new subsection:

“(i) Executive Secretary of the National

Security Council.”.

RONALD REAGAN

The White House,
May 20, 1983.

[Filed with the Office of the Federal Register, 11:03 a.m., May 23, 1983]

Note: The text of the Executive order was released by the Office of the Press Secretary on May 23.

Remarks and a Question-and-Answer Session With Local High School Honor Students May 23, 1983

The President. Barbara, thank you for those very kind words. And if you'll forgive me, though, there were times when I was more concerned with just remaining eligible for the football team—*[laughter]*—than the scholastic achievement.

But I'm delighted to be here and to welcome you, the best of the classes of '83. And you are that. Now, it makes me remember back to my own graduation, which wasn't too long ago. *[Laughter]* As a matter of fact, it was exactly—*[inaudible]*—years ago. *[Laughter]*

But your parents are proud of you. Obviously, General Motors and the television stations are proud of you, and that's why they're sponsoring these events. But you might be interested to know, I think, that the Nation is proud of you.

You know we've had a commission studying the educational system, and they have just come in with their report. And it's an alarming report about overall education.

One of the figures in this report indicates

that, compared to the students of other nations, on the average, we are way below the students of those other nations. But applying directly to you here, who are the leaders, the top 9 percent of American students rank equal to or above the top 9 percent in all those other countries. It is only the overall average that reflects what we think has been a decline in education. And you're in that top 9 percent.

So, one of these days, you're going to be the leaders that we'll turn the country over to. And anytime I've had an opportunity to meet students like yourselves, I find myself coming home reassured that the country's going to be in good hands when it is turned over to you for your leadership.

Now, rather than my going on with a monolog that'll sound like a graduation speech—and you have to listen to one of those—I think that we could have a dialog rather than a monolog—and with the limited time that we have. And I see that there's

already a lineup, and since there's more on the right than there are on the left, I'll start with on the right and then exchange microphones here.

Yes.

Employment

Q. Mr. President, my name is Arthur Fuller from Roosevelt Senior High School in Washington, D.C. And I would like to know, dealing with employment, do you feel the graduating class of 1983 has any more advantages than the previous ones?

The President. Well, when you say the previous ones, do you mean—

Q. Previous graduation classes.

The President. But, I mean, through how many years back?

Q. From the past 10 years.

The President. Well, you have the one disadvantage in that there is an unemployment problem that is—we've been talking about it here at this table—that is due, in part, to the recession and due, in part, to a structural change going on in our country of new industries coming up and some older industries that will not require the same number of employees.

But I think that you have a great opportunity because of that structural fact and the new industries coming up. That's why we're emphasizing in government now retraining, rather than government programs for just make-work to give people an income through the hard times—to retrain for these new industries and the high technology industries and so forth that are coming along, and the communications industries.

And I would say that you—and I know that most of you will probably continue your education on, but those who don't, there is a great opportunity now to take training for jobs in these new upcoming and growing industries. And back there in that period so long ago in which I kind of ignored the number of years, it happened to me. There was a brand new industry then called radio. And I made up my mind that's what I wanted to be, and that's where I started my career and wound up broadcasting major league baseball and big-time football and so forth. But it was a brand new industry, and brand new industries like

that are seeking young people that they can bring them in, in the ground floor, and train them and bring them up believing in the future of their industry.

Job Training Programs

Q. Good afternoon, Mr. President. I am Archie Ray III, a senior at Dunbar Senior High School here in Washington, D.C. As you know, the American technological industry has had a drastic setback. Is there any possibility of private industry and government uniting in order to solve this dilemma?

The President. Yes, as a matter of fact, it has already taken place. There are training programs going on at the private sector. Our government job training program, which I asked for quite some considerable spending, even in these hard times when we're trying to hold government spending down, is one in which the training will take place with local officials, government officials, and private business at the local communities, training people for the jobs that are available in that community and that area, rather than just some general from-Washington-ordered job-training program that ignores what might be the particular needs in any community.

I could suggest one thing for all of you, if you want a little encouragement. Next Sunday—because it's the Sunday paper that has all the help wanted ads in the classified ads section—take a look at the help wanted ads, because what you'll learn from those, in all this time of great unemployment, you say, "Well, how can there be this many employers?" There'll be page after page of them advertising for employees. It isn't that the unemployed aren't looking for work and ready to take a job if they can get it. It's that this reflects the new type of jobs, the new technology that I was just mentioning a moment ago, in which they're advertising for people and there aren't enough people trained in those occupations yet to fill those jobs.

So, we are working, and we've had a task force working for a year, called the Private Initiatives Task Force. And they have been working with the private sector and with other levels of government, local and so

forth, throughout the country on what can be done to meet some of the problems, utilizing the power of the private sector. And the response is wonderful and is amazing.

Education

Q. Good morning, Mr. President. My name is Kurt Hirsch from Walt Whitman High School. And it's good to see you here today honoring the excellence of public education. I want to ask you about the impression that people have that your administration has done more to tear apart the public school system through such programs as tuition tax credits, demolishing the Department of Education, and cutbacks in Federal funding for education. Could you comment on those, please?

The President. Well, in the first place, there haven't been cutbacks in funding for public education. This year it will be a total spent on education is \$116.9 billion, and that's 7 percent more than last year. And that's double what was spent just 10 years ago on education.

Now, my belief in the tuition tax credit is a belief in competition. And we know that there are—and particularly in the inner cities—there are many parochial schools, independent schools. And the parents of children who are going to those schools and paying tuition are also paying their full share of taxes to support the public schools. Now, some of them may want their children to go to one of these schools because of the religious connotation, whatever it might be. But I feel that it's only fair that these people be given some break for the fact that they're supporting two school systems. Granted, they're supporting one by choice and the other they're compelled to. But, as long as we're compelling them to, then this break of tuition tax credits would not only serve to help the parents who are sending their children to these schools—

And incidentally, those parents are not all loaded. As a matter of fact, in the inner-city schools, the parochial schools, the actual financial level, the average level of the families of those students is lower than the average level of those attending public schools.

And it isn't going to hurt the public schools. There's nothing going to be torn away from them. They're getting still that

same full amount of tax money. And you have to ask yourself—part of this help will also go to the schools. Some of these independent schools can afford then, with tuition tax credits, to raise the tuition without penalizing the parents, because it will, in effect, come out of what would have otherwise been tax dollars. And they will—there has been a great attrition rate. Many of those schools are closing. And in this respect they will be able to stay open.

Now, ask yourself: What would the burden be on the public sector and the public schools if suddenly all of the students who were attending those other schools were dumped on the public school market?

So, I know that there's been a lot of information and everyone keeps talking budget cuts, because we're trying to reduce the rate of increase in Federal spending. But today there has been no such thing as a budget cut. The government is spending more today than it has ever spent in its history. We're trying to reduce the rate of increase in spending, which was 17 percent when we came here. We have it down to about half of that now. And we're trying to get it down to where the taxpayers can keep up with it.

That's why we have the deficits. We're increasing spending faster than the rate of increase in government's revenues.

*Mr. Brenner.*¹ Mr. President, this'll have to be the last question.

The President. Oh, dear. I'm sorry.

School Prayer

Q. My name is Therese Staal, and I'm from Langley High School. Mr. President, bearing in mind our history and foundation in the separation of church and state, how can you advocate school prayer?

The President. I advocate this on a voluntary basis. No student would be compelled to join in this. Suppose you had a moment of silent meditation in which you could do whatever your nature informs you to do. But there has been a tendency in recent years to indicate that the Constitution in the separation of church and state—that

¹ Glenn Brenner, sportscaster for WDVM-TV and master of ceremonies.

this really meant separation from religion. The Constitution says that the Congress should make no laws that interfere with the practice of religion.

Now, what my feeling has been is that by ruling that this was outright not permitted in schools, we have in effect diminished the importance of religion and thus of morality in the minds of students and of people and of young people growing up by saying, "Well, we just won't allow it in the schools." And, as I say, it's not a compulsory prayer. It wouldn't be one particular church's prayer. In fact, for those who didn't want to pray, it wouldn't even be a prayer. They could just take the minute and think about what they were going to do when the minute was over or whatever—[laughter]—they wanted to think about or what they did last night.

But a moment of silent meditation, I think, is in keeping with a country that has on its coins "In God We Trust," that has a chaplain for the Congress, when the Congress meets. I know there was one young person with his parents who was up in the gallery one day at the Congress and asked who the chaplain was. And his father said, "Well, that's the chaplain. He prays." And his child said, "For the Congress?" And he said, "No; for the country." [Laughter]

But I don't know. I just feel very strongly. I don't know of anyone that was ever hurt by it. And I do believe that, if you look

back—speaking again of history—if you look back to the collapse of great civilizations like the Greek and the Roman and all, you'll find that one of the characteristics of those civilizations was they began to desert and abandon their gods. That was one of the first signs of decline. And I think we have to keep in mind we are a nation under God. And if we ever forget that, we'll be just a nation under. [Applause] Thank you. Thank you all very much.

I just—again, remember this. There's a responsibility that goes with where you are today. You're leaders. And if sometimes you get a little worried and the world looks big and awesome out there and you think, "How do I know I can ever make it." Let me just tell you something. You've made it so far. You've made it in the company of all your peers and all your generation. And you've been the leaders. What makes you think you won't continue to be leaders if you keep on doing the same things that you've been doing in school? And your responsibility is: Our nation needs leaders, and we're counting on you.

God bless you all.

Note: The President spoke at 12:36 p.m. on the grounds of the U.S. Naval Observatory. He was introduced by Mrs. George Bush.

The event was one of several around the country sponsored by General Motors and a local television station to honor students with high academic standing.

Remarks at the Presentation Ceremony for the President's "E" and "E Star" Awards

May 23, 1983

The President. Thank you very much, and welcome to the White House. It's always a pleasure to welcome America's entrepreneurs to our beautiful national home set on these lovely grounds.

I know the high-risk, rough-and-tumble world of business that you come from is no rose garden, so, you deserve to spend some time here once in a while. As a matter of fact, there are some words of hospitality

from our Latin American friends, *Mi casa, su casa*. My house is your house. Well, I can say that literally, because it is your house. It's all America's house.

Since this is World Trade Week, there couldn't be a better time to receive you and to present the well-deserved "E" and "E Star" awards for achievement in exporting. America's future growth and prosperity depend on how well we find and open and

compete in foreign markets.

Exports mean jobs for our people, profits for our businesses, and growth for our economy. Already, one out of eight manufacturing jobs and one in three agricultural jobs relate directly to exporting. Yet, 90 percent of American manufacturers—90 percent—do not export at all. We believe there are tens of thousands of American enterprises, many of them small- and medium-size businesses like some of yours, that could compete successfully in foreign markets, but they don't. There's a \$2 trillion market out there that's just waiting for us.

We have the talent, the skills, and the products to compete. We just need to encourage American business to take up the challenge. Those of you here have been in the forefront of the export effort so far, I know. We hope your highly successful and profitable examples will encourage others.

Our administration has a plan to help our exports. First, we're laying an economic foundation of noninflationary growth, incentives, and thrift. Second, we're working with our trading partners to open more markets to you and to move toward trading practices that are at once more free and more fair. And third, we've taken the lead in assisting international financial and trade institutions. We hope that by encouraging more stable and growth-oriented economies abroad, we will not only create more international demand for our goods, but we'll also bolster freedom, democracy, and security.

One of the legislative achievements I'm most proud of is the Export Trading Company Act. Enacted last year, it's already providing thousands of small- and medium-sized businesses with new opportunities in foreign trade. By removing impediments to trade and permitting more efficient sale of American products abroad, we believe this act will increase our exports by up to \$11 billion by 1985. And that could translate into hundreds of thousands of jobs for our people.

But the real key to export expansion lies in the efforts of people like you who have the vision to see an opportunity and the gumption to take the chance. We're all grateful for your initiative and cheer your success. Congratulations to not only the

awards you present today but on the hard work that won them for you.

And now it's my privilege to present these "E" and "E Star" awards for excellence in exporting. But to do that, Paul, you'll have to lend a hand.

*Mr. Lyet.*¹ All right. I'm delighted to do that, Mr. President.

The first awardee: Atlantic Antibodies, Inc., Scarborough, Maine. This company is an excellent example of a successful, smaller exporter. It developed a very effective export marketing program, overcoming many problems such as tariff barriers and foreign competition in exporting its diagnostic products used in clinical and research laboratories. And, accepting the award, Mr. William Dickson, president.

Mr. President, our second awardee is CRS Group, Inc., Houston, Texas, an architectural engineering firm that exports well above the 14.7-percent average for the top 500 firms in the design industry through innovative marketing techniques that successfully deal with a multitude of nontariff obstacles and through perceptive understanding of local needs and customs. Particularly significant is this company's specifications calling for U.S. materials and equipment which generate billions of dollars of exports for other American companies. Accepting the award is Mr. Thomas A. Bullock, the chairman.

The Colonial Beef Company, Philadelphia, Pennsylvania. This small company, in addition to exporting 25 percent of its own meat products, is actively working with the U.S. Meat Export Federation and the United States Government to pursue furthering meat exports from all American companies. And accepting the award, Mr. Louis E. Waxman, president.

The Hartz Seed Company, Stuttgart, Arkansas, is a family-owned firm exporting 34 percent of its soybean seed to 24 markets worldwide, developing special products for special markets. Especially significant is this small company's penetration of the Japanese market. Accepting the award, Mr. Jacob Hartz, Jr., chairman emeritus.

¹J. Paul Lyet, Chairman of the President's Export Council.

Manitowoc Engineering Company from Manitowoc, Wisconsin, increased its exports of crawler cranes and excavators to 41 percent of its total sales at a time when that industry's exports were declining. Making arrangements for training and spare parts, which are often overlooked by many American firms but certainly not our foreign competitors, attributed to their success. And accepting the award is Mr. P. Ralph Helm, the president.

The next awardee is the National Association of Export Companies, receives an "E" award for export service. This organization has done an outstanding, painstaking job assisting small- and medium-sized exporters and is now working with them to establish export trading companies. Accepting the award is Mr. Andrew N. Ferretti.

Beech Aircraft, Wichita, Kansas, has done such a steadily superior job of exporting its general aviation aircraft and aerospace products that this is its second award—the President's "E Star" award for continued excellence in exporting. This large company is making a major contribution to our balance of payments through the dollar volume of its sales. And accepting the award, Mr. William Rutherford, vice president for government relations.

Next, Mr. President, the Florida Department of Commerce in Tallahassee, Florida,

receives the Presidential "E Star" for export service in recognition of its continued excellence in promoting exports in the State of Florida, and serves as an example for other States to follow in promoting their exports. Accepting the award, Mr. Wayne Mixson, lieutenant governor and secretary of commerce.

And last, but certainly by no means least, the Los Angeles Harbor Department of the Port of Los Angeles, San Pedro, California, has provided a large number of marketing and promotional and educational services to all exporters, and especially assists and encourages smaller and new exporters. Growth in cargo exported from the harbor should continue to increase at a rapid rate as a result of development of a container-transfer facility, a coal exporting facility, and ocean container terminals. And accepting the award, Mr. Ernest Perry, executive director.

Mr. President, that completes our—[*inaudible*].

The President. Well, thank all of you again. And I know it's getting warm out here in the Rose Garden. We had our spring one day, oh, a couple of weeks ago. It's now summer.

God bless you all. Thank you.

Note: The President spoke at 1:30 p.m. in the Rose Garden at the White House.

Message to the Senate Transmitting the United States-Sweden Supplementary Convention on Extradition

May 24, 1983

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Supplementary Convention on Extradition between the United States of America and the Kingdom of Sweden, signed in Stockholm on March 14, 1983.

It is my desire that the supplementary convention transmitted herewith be considered in place of the Supplementary Extradition

Convention with Sweden signed in Washington on May 27, 1981, which was transmitted to the Senate with my message dated July 28, 1981, and which is now pending in the Committee on Foreign Relations (Treaty Doc. No. 97-15). I desire, therefore, to withdraw from the Senate the supplementary convention signed in 1981.

I also transmit, for the information of the Senate, the report of the Secretary of State

with respect to the supplementary convention transmitted herewith. The reasons for the substitution mentioned above are explained in that report.

I recommend that the Senate give early and favorable consideration to the supple-

mentary convention.

RONALD REAGAN

The White House,
May 24, 1983.

Remarks to Reporters Announcing Endorsement of the Defense Department Recommendations for Direct Communication Links Between the United States and the Soviet Union *May 24, 1983*

The President. When I became President, I made a solemn pledge that my administration would build a more stable and secure peace, one that would last not just for years but for generations.

The force modernization programs that we're preparing, the deep strategic and intermediate-range nuclear arms reductions we're seeking, and the confidence-building measures we've proposed in START, INF negotiations, at the U.N., and elsewhere are all designed to achieve this goal.

Over the years, the United States has taken extraordinary steps unilaterally and bilaterally to reduce the possibility that an accident, miscalculation, misunderstanding, or misinterpretation would somehow ignite armed conflict.

For over a year now, this administration, in close consultation with the Congress, has been studying the feasibility of a broad range of further measures to reduce that possibility. On April 12th, this year, '83, the Department of Defense delivered a report to the Congress which proposed four new confidence-building measures to strengthen communications and cooperation, thereby reducing the chances even further that war, especially nuclear war, could come about by accident or miscalculation.

It gives me special pleasure today to announce my endorsement of significant additional confidence-building measures. These confidence-building measures have the potential for reducing the possibility of unintended war and the outgrowth of close bipartisan consultation—or they are the outgrowth, I should say, of close bipartisan con-

sultation with the Congress. Three of them are designed to strengthen and broaden communications between the United States and the Soviet Union. They include the upgrading of the hotline between myself and General Secretary Andropov by adding a facsimile transmission capability.

Secondly, we propose to create a direct military communications link that could be used for the rapid exchange of technical military information, thereby preventing misunderstanding in a crisis.

And, third, we propose improving the existing diplomatic crisis-controlled related functions of both the United States and the Soviet Union by upgrading the communications links between Washington and Moscow and each nation's embassy in the other's capital.

Any one of these measures would significantly strengthen our existing crisis communication network. Together, they add new dimensions to our communications efforts, allowing us to contact each other rapidly at political, military, and diplomatic levels, improving our capability to contain crisis situations.

I encourage the Soviet Union to carefully examine these proposals. Extending the range of rapid direct communications between the United States and the Soviet Union would make an important contribution to stability. It's in our best national interest and in the best interest of all mankind.

The fourth recommendation we propose is an international agreement, open to all the world's governments, providing for con-

sultation in the event a nuclear incident is precipitated by an individual or group. Establishing procedures among all interested nations in the event of such an incident would complement the steps that we already have taken in the 1968 Non-Proliferation Treaty and the 1980 Convention on the Physical Protection of Nuclear Materials.

I endorse the proposal, not because I foresee an increasing risk of nuclear incidents—I do not—but because I believe that it is prudent to have in place the means to facilitate international communications should the unthinkable happen.

These four proposals are not the end of a process; rather, they add momentum to the process that's already underway in the administration, in the Congress, and within the international community.

In the coming days, I intend to consult closely with those Members of the Congress who've shown a great personal interest, such as these gentlemen here today, and especially Senators Nunn, Jackson, Warner, and Tower. Additionally, we intend to consult closely with the international community concerning these measures. These are reasonable proposals, and we will work dili-

gently to reach early agreement on them with the Soviet Union.

End of statement.

Q. Mr. President, the Supreme Court ruled today 8 to 1 that the IRS does indeed have the right to take away the tax-exempt status of schools that discriminate.

The President. I'm going to take no questions at this. These gentlemen are going to be awaiting your attention out in front on the other end of the building here on this subject.

Q. Are you going to win on the MX, Mr. President?

The President. What?

Q. Looks like you've got the MX won.

The President. I don't know. We'll know this afternoon some time.

Note: The President spoke at 11:24 a.m. in the Rose Garden at the White House. Present for the announcement were the Vice President, Secretary of State George P. Shultz, Secretary of Defense Caspar W. Weinberger, Assistant to the President for National Security Affairs William P. Clark, and Senators Henry M. Jackson of Washington, John W. Warner of Virginia, John Tower of Texas, and Sam Nunn of Georgia.

Remarks at the Presentation Ceremony for the National Medal of Science Awards

May 24, 1983

The President. It's a privilege for me today to play a part in honoring 12 Americans who've made outstanding contributions to our way of life through science and engineering. And as I read over the list of their activities, I'm impressed not only by the profound intellectual achievements that are represented but also by the wide range of their expertise. We have before us leaders in the fields of physics, biology, agriculture, chemistry, aircraft design, engineering, and mathematics. It's a testimony to the strength of American science and engineering that we have such men and women whose genius is acknowledged not only in this country but around the world.

It's fitting that we're taking special care to honor the recipients of the National Medal of Science award at a time when our technological leadership is being challenged from abroad. In the past, too many Americans tended to take our preeminence in science and engineering for granted. We must never forget that what we enjoy now is the result of superior professionals like those that we're honoring. And today, as never before, these individuals have international competition.

I would hope that today's event does not go unnoticed by America's young people and that many of them will be encouraged to emulate the example of these distin-

guished citizens. We as a nation cannot rest on our laurels in this vital area of concern, and American young people need to know their well-being depends on our continued progress in science and technology. Only by excellence in this vital area can we hope to maintain technological momentum—momentum so essential to our freedom and our prosperity.

As I went through the briefing papers about today's recipients, something else struck me. Among those we honor today are some who were not born in this country, but are naturalized citizens. And it's a tribute to our society that creative and diligent men and women like these have chosen America as their adopted land and have found here fertile soil for their talent. Many scientists and engineers come to us from places where repression stifles creativity, chokes off opportunity for expression and development. America has gained so much by the infusion of such talent, and today all our citizens are better off because of it.

So, let me express again the gratitude of the American people to all of you that we honor today with this medal. We deeply appreciate what you've done. We thank you.

And now my science adviser, Jay Keyworth, will read the citations for the awards. And I'll go over here. [*Laughter*]

Mr. Keyworth. First we'll begin with the biological sciences. Seymour Benzer for elucidating the fine structure of the gene and unifying the classical and molecular concepts of gene structure and function.

Glenn W. Burton for outstanding contributions to the biological sciences that have helped to feed the hungry, protect and beautify the environment, and provide recreation for millions.

Now, Mildred Cohn for pioneering the use of stable isotopic tracers and nuclear magnetic resonance spectroscopy in the study of the mechanism of enzymatic catalysis.

Now, in chemistry, Albert Cotton for contributions of unique range, depth and importance to inorganic and structural chemistry, especially the discovery and elucidation of multiple metal-metal bonds and the application of group theory to chemical

problems.

Gilbert Stork for his contributions as one of the world's most innovative and productive synthetic organic chemists, whose discoveries have made possible the synthesis of some of the most complicated and important biologically active compounds.

In the engineering sciences, Edward H. Heinemann for his outstanding contribution as a creator-designer and engineer responsible for the design and production of a series of famous aircraft for the military forces of the United States and allied nations.

Donald L. Katz for solving many practical chemical and petroleum engineering problems by delving into a wide group of sciences and making their synergistic effects evident.

In the physical sciences, Philip W. Anderson for his fundamental and comprehensive contributions to the theoretical understanding of condensed matter, most notably his work on electron localization in highly disordered solids and the nature of localized magnetic states in metals.

Yoichiro Nambu, for his seminal contributions to the understanding of elementary particles and their interactions.

Edward Teller, for his outstanding contributions to molecular physics, understanding the origin of stellar energy, the theory and application of fusion reactions, the field of nuclear safety, and for his continued leadership in science and technology.

Charles H. Townes, for fundamental contributions to the understanding of matter through its interaction with electromagnetic radiation and the application of this knowledge to the service of mankind, most notably in leading to the invention of the maser and the laser.

The 12th medal recipient is unable to be with us today, but his citation reads: "Marshall H. Stone, for his original synthesis of analysis, algebra, and topology into the new, vital area of functional analysis in modern mathematics."

The President. Having just come, the last weekend, from speaking at a graduation and, now, here—and standing before all these eminent experts in their fields—I face

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you with mixed emotions and a greatly compounded feeling of guilt for much of 4 years that I wasted in my own college days. [Laughter]

But God bless all of you, and thank all of you for what you have done for the world

and for all of us. And thank all of you ladies and gentlemen.

Note: The President spoke at 12:05 p.m. in the East Room at the White House.

Nomination of Two Members of the United States International Trade Commission

May 24, 1983

The President today announced his intention to nominate the following individuals to be members of the United States International Trade Commission:

Seeley Lodwick, for the remainder of the term expiring December 16, 1991. He would succeed Eugene J. Frank. He was Under Secretary of Agriculture for International Affairs and Commodity Programs in 1981–1982. Previously he was Iowa administrator for Senator Roger Jepsen in 1979–1980. He served as a State senator in Iowa for 7 years. He is married, has

three children, and resides in Arlington, Va. He was born October 19, 1920, in Evanston, Ill.

Lyn M. Schlitt, for the remainder of the term expiring December 16, 1985. She would succeed William R. Alberger. She has been an associate attorney with the law firm of Covington and Burling in Washington, D.C., since 1974. She is a member of the International Antitrust Committee of the American Bar Association. She is married and resides in Arlington, Va. She was born August 1, 1948, in Akron, Ohio.

Remarks on Greeting the New York Islanders, the National Hockey League Champions

May 24, 1983

The President. Well, I think we know why we're gathered here, and that's to congratulate the Islanders from New York who won the Stanley Cup. [Pointing to a table next to the podium] And that's the Cup. And they have won it four times consecutively, four times in a row. The record, held by the Canadiens, a Montreal team, is five times in a row. And it would be awfully difficult for me to wish you the good luck of breaking the record when, in order to do that, you would have to beat the Washington Caps again. [Laughter] And there are two representatives of the Caps here with us.

But I do want to congratulate all of you on that and express my appreciation for your coming here to be congratulated. And would you please convey those congratulations, also, to your teammates, because I know they're not all here. But we're de-

lighted to have you here as our guests. Sorry that we haven't got ice. [Laughter]

Team member. We've had enough. [Laughter]

Mr. Torrey. Mr. President, on behalf of the team, I'd like to give you this rug that was handmade by an Eskimo woman in Canada and given to the team.

The President. Made by an Eskimo woman in Canada?

Mr. Torrey. Yes.

The President. Handmade. Hey, I'm delighted.

Mr. Torrey. We'd like to have you show that prominently, particularly when your friend Sonny Werblin comes to visit you. [Laughter] We want to be sure he sees this. [Laughter]

The President. As a matter of fact, I'll just ask him to sit down with me on the rug—

[laughter]—and we'll talk things over.

Mr. Torrey. Thank you very much.

The President. All right. Thank you very much.

Mr. Torrey. My pleasure.

The President. I'm pleased to have it.

Mr. Smith. [Presenting the President with an autographed hockey stick] Here's a little something from our teammates that I want to give you. And they say, if you have any trouble with Congress, feel free to use it on them. [Laughter]

The President. There are some here who are on the way to a vote, and I hope that they're going to vote right. [Laughter]

And I understand that you're the one who has the motto, being the goalie, that "The puck stops here." [Laughter]

Mr. Smith. Well, sometimes, not all the time.

The President. [Laughing] I accept this, but I'll remind you of something. Maybe you already know that years ago, when Notre Dame's football teams were really at the top of the list all the time under the great Knute Rockne, there was a Carnegie investigation as to the overemphasis on athletics. And at one of the hearings where Rockne was defending football, one of the professors on the commission asked him if it was necessary to have and make so important a game so violent as football. And Rockne asked him what he would suggest. And the professor said, "Well, what about hockey?" [Laughter] And Rockne said that he had once suggested that at Notre Dame, but the president of Notre Dame said that "Notre Dame would never adopt a game that put a club in the hands of an Irish-

man." [Laughter]

And you have done so—[laughter]—right now.

Well, I thank you all again. And congratulations. It's wonderful to have you here. Thank you very much.

And to those Congressmen—

Reporter. Are you going to win the vote on MX?

The President. Hopeful.

Q. Are you going to come talk to us afterwards?

The President. Well, I don't know. We'll have to see what takes place. You know, I have to look at the schedule.

Q. If you win, you will; if you lose, you won't? [Laughter]

The President. I just want to know that all the Congressmen who are here are hurrying back, because I understand that the vote is due, very quickly now.

Q. Shoot the puck.

The President. What?

Q. You wouldn't turn down our invitation to come talk to us, would you, Mr. President?

The President. If I can choose the subjects, no. [Laughter]

Q. Shoot the puck.

The President. I'm the goalie. The puck stops here. [Laughter]

Q. Thank you.

Note: The President spoke at 4:39 p.m. in the Rose Garden at the White House. Bill Torrey is the team's general manager, and Bill Smith is the goaltender for the Islanders.

Appointment of Lee Verstandig as Assistant to the President for Intergovernmental Affairs

May 24, 1983

The President has announced his intention to appoint Lee Verstandig as Assistant to the President for Intergovernmental Affairs. He will succeed Richard S. Williamson.

Dr. Verstandig has served as Acting Ad-

ministrator of the Environmental Protection Agency since March 1983. Previously he was Acting Assistant Administrator of the EPA for Legislation. He was Assistant Secretary for Governmental Affairs at the Department of Transportation in 1981—

1983, where he directed the Department's activities in its relations with Congress, State and local governments, and special and public interest groups. The Assistant Secretary for Governmental Affairs also directs the Department's technology and planning assistance efforts.

He was administrative assistant and legislative director to Senator John H. Chafee in 1977-1981; associate dean of academic affairs and dean of political affairs for special studies at Brown University in 1970-1977;

professor of history and political science at Roger Williams College in 1963-1970, and served as its department chairman in 1965-1967.

Dr. Verstandig earned degrees from Franklin and Marshall College, the University of Tennessee, and Brown University. He has authored numerous articles and books on government, political history, education, and public policy. He was born September 11, 1937, in Memphis, Tenn., and resides in Washington, D.C.

Statement on House of Representatives Approval of Funding for the MX Missile

May 24, 1983

I am deeply grateful to the Members of both parties in the House who joined together today to take a wise, courageous step forward for America. This bipartisan vote in support of recommendations by the Scowcroft Commission sends an important signal to the world: Americans are uniting in a common search to protect our security,

reduce the level of nuclear weapons, and strengthen the peace.

We now look to the Senate to send this same message by supporting the resolution the House passed today. The challenge before us remains great, and I will continue to consult and work closely with Members of the Congress on both sides of the aisle.

Nomination of Three Members of the Commission on Civil Rights

May 25, 1983

The President today announced his intention to nominate the following individuals to be members of the Commission on Civil Rights:

John H. Bunzel, formerly president of San Jose State University in San Jose, Calif., is currently serving as senior research fellow at the Hoover Institution at Stanford University, Stanford, Calif. A longtime supporter of civil rights, Dr. Bunzel was honored in 1974 by the board of supervisors of the city and county of San Francisco when he was awarded a certificate of merit for "unswerving devotion to the highest ideals of brotherhood and service to mankind and dedicated efforts looking to the elimination of racial and religious bigotry and discrimination." Dr. Bunzel earned his undergraduate degree from Princeton University (A.B., 1948), his masters degree from Columbia University

in 1949, and his Ph. D. from the University of California at Berkeley in 1954. He resides in Belmont, Calif. He was born April 15, 1924, in New York City. Dr. Bunzel is a Democrat and will succeed Blandina Cardenas Ramirez.

Morris B. Abram is currently a partner with the law firm of Paul Weiss, Rifkind, Wharton and Garrison in New York City. In 1968-1970 Mr. Abram served as president of Brandeis University. Mr. Abram has been long involved in civil rights activities. In 1946 Mr. Abram was a member of the American prosecutorial staff at the International Military Tribunal in Nuremberg, Germany. In 1962-1964 he served as a member of the U.N. Subcommittee on the Prevention of Discrimination and Protection of Minorities by appointment of President Kennedy. Between 1963 and 1968, he served as president of the American Jewish Committee. In

1965–1968 he served as U.N. Representative to the United Nations Commission on Human Rights. In 1970–1979 he also served as chairman of the United Negro College Fund. Since 1961 he served as a member of the executive committee of the Lawyers' Committee for Civil Rights Under Law. He graduated from the University of Georgia (B.A., 1938) and the University of Chicago (J.D., 1940). He was a Rhodes Scholar at Oxford University (B.A., 1948; M.A., 1953). He resides in New York City. He was born June 19, 1918, in Fitzgerald, Ga. Mr. Abram is a Democrat and will succeed Mary Frances Berry.

Robert A. Destro is currently serving as assistant professor of law at the Columbus School of Law, Catholic University of America, where he

teaches, among other courses, constitutional law, church-state relations, and legal ethics. In 1977–1982 he served as general counsel for the Catholic League for Religious and Civil Rights in Milwaukee, Wis. While at the Catholic League, Mr. Destro developed a legal services department for a nationwide civil rights practice. In 1978–1982 Mr. Destro also served as adjunct associate professor of law at Marquette University School of Law. In 1975–1977 he served as an associate attorney with the law firm of Squire, Sanders & Dempsey. He graduated from Miami University (A.B., 1972) and Boalt Hall School of Law (J.D., 1975). He is married and resides in Arlington, Va. He was born September 6, 1950. Mr. Destro is a Democrat and will succeed Murray Saltzman.

Nomination of Linda Chavez To Be Staff Director of the Commission on Civil Rights

May 25, 1983

The President today announced his intention to nominate Linda Chavez to be Staff Director for the Commission on Civil Rights. This position is currently vacant.

Ms. Chavez currently serves as assistant to the president of the American Federation of Teachers, AFL-CIO, Washington, D.C. She also serves as editor of the *American Educator*. During 1981 she acted as a consultant to ACTION in Washington, D.C. Previously she served as a member of the

professional staff of the Civil and Constitutional Rights Subcommittee of the House Judiciary Committee.

She graduated from the University of Colorado (B.A., 1970). She has done graduate work and taught at the University of California at Los Angeles. She is married, has three children, and resides in Washington, D.C. She was born June 17, 1947, in Albuquerque, N. Mex.

Proclamation 5064—Missing Children Day, 1983

May 25, 1983

By the President of the United States of America

A Proclamation

Each year hundreds of thousands of American families are confronted with a unique tragedy—a missing child. While most of these children return home safely, far too many are exposed to serious danger and exploitation. Often the child's fate is never known. During the child's disappearance, the family faces an ordeal of imagined

horrors and unknown consequences. Finding and safely returning these children to their homes has become a national problem.

Our children are the Nation's most valuable and most vulnerable asset. They are our link to the future, our hope for a better life. Their protection and safety must be one of our highest priorities.

The striking mobility of our society has created special difficulties for the law en-

forcement agencies that must deal with crimes involving children. The solution to this problem demands the attention and cooperation of all our law enforcement agencies, city, State, and local.

The date of May 25 has particular significance in the cause of missing children. On that day in 1979, six year old Etan Patz disappeared from his home in New York City. Unfortunately, Etan has never been found. His brave parents have fought to increase our awareness of this tragedy and to improve the agencies that work to solve this unique type of crime.

As a Nation and as individuals, we all have a responsibility to direct our resources and our efforts to this worthy goal.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim May 25, 1983 as Missing

Children Day. I urge officials at all levels of government to take decisive action to ensure the safety and protection of the children in their respective jurisdictions, and I urge all our law enforcement agencies to take particular notice of the danger that threatens any child who has lost his or her home. I urge every American family to take the proper precautions to protect their children.

In Witness Whereof, I have hereunto set my hand this twenty-fifth day of May, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:54 a.m., May 25, 1983]

Message on the 20th Anniversary of the Organization of African Unity

May 25, 1983

On the occasion of the Twentieth Anniversary of the Organization of African Unity, it is both a pleasure and an honor for me to express the congratulations and good wishes of the people of the United States to you as Chairman of the OAU and to the member nations of the organization. The United States shares with the OAU its objectives of "freedom, equality, justice and dignity for all African peoples."

We also support the fundamental principles of the OAU, embodied in Article III of your charter: sovereign equality of all member states; non-interference in the internal affairs of states; territorial integrity; peaceful settlement of disputes; condemnation of political assassination and subversion; dedication to the total emancipation of still dependent African territories; and genuine nonalignment. We believe the OAU has made a positive contribution to stability and progress in Africa over the past twenty years, and that it has the potential for even greater accomplishments in the years to come.

The United States remains supportive of African efforts to seek a cessation of conflict

and violence, as well as efforts aimed at meaningful economic progress. And we firmly agree that African problems can best be solved by African solutions. We applaud when your Organization moves forward to meet serious challenges on the African Continent, as was demonstrated by the OAU's peace-keeping force in Chad.

The OAU has experienced a difficult twentieth year, perhaps the most difficult year in its history. We are confident, however, as most OAU member states must be, that the Organization can and will continue to provide the unique forum for continental cooperation. We wish the OAU well on this important day marking the Organization's first two decades, and we wish it well in all the years ahead.

RONALD REAGAN

Note: The message was addressed to His Excellency Daniel T. arap Moi, President of Kenya and Chairman of the Organization of African Unity.

Appointment of the 1983-1984 White House Fellows May 25, 1983

The President today announced the appointments of the 1983-1984 White House fellows. This is the 19th class of fellows since the program began in 1964.

The 13 fellows were chosen from among 1,112 applicants and screened by 11 regional panels. The President's Commission on White House Fellowships, chaired by Vice Adm. James B. Stockdale, USN (Ret.), interviewed the 34 national finalists before recommending the 13 persons to the President. Their year of government service will begin September 1, 1983.

The 1983-1984 White House fellows are:

David L. Bere, 30, of Chicago, Ill.; brand manager, children's cereals, Quaker Oats Co., Chicago;

Elaine E. Chao, 30, of Harrison, N.Y.; lending officer, ship financing department, Citibank, N.A., New York City;

Craig P. Coy, 33, of Arlington, Va.; lieutenant commander, United States Coast Guard, student, Harvard Business School, Cambridge, Mass.;

Muliufi F. Hannemann, 28, of Honolulu, Hawaii; administrative assistant to the Governor, State of Hawaii;

W. Stephen Harty, 31, of Hastings-on-Hudson, N.Y.; account executive, Ogilvy & Mather Advertising, New York City;

James R. Kearl, 36, of Provo, Utah; associate professor of economics and law, Brigham Young University, and research associate, National Bureau of Economic Research;

Joseph R. Lupica, 28, of West Hartford, Conn.; trial attorney, Pepe & Hazard, Hartford;

James W. Muller, 30, of Anchorage, Alaska; assistant professor of political science, College of Arts and Sciences, University of Alaska;

David A. Neuman, 22, of Los Angeles, Calif.; student, communication studies department, and student regent, University of California, Los Angeles;

Travis Wood Parker, Jr., 34, of Charleston, S.C.; lieutenant commander, United States Navy, executive officer, U.S.S. *Moosbrugger*;

George H. Selden, Jr., 36, of Fort Leavenworth, Kans.; major, United States Army, student, Army Command and General Staff College, Fort Leavenworth;

Kenneth O. Simon, 29, of Mobile, Ala.; attorney, Nettles, Barker & Janecky; Mobile;

Oren E. Whyche, 33, of Winston-Salem, N.C.; manager of banking relations, R. J. Reynold Industries, Inc., Winston-Salem.

Fellows serve for 1 year as special assistants to the Vice President, members of the Cabinet, and the President's principal staff. In addition to the work assignment, the fellowship includes an educational program which parallels and broadens the unique experience of working at the highest levels of the Federal Government.

The program is open to U.S. citizens in the early stages of their careers and from all occupations and professions. Federal Government employees are not eligible, with the exception of career Armed Forces personnel.

Leadership, intellectual and professional ability, and commitment to community and nation are the broad criteria employed in the selection of fellows.

Applications for the 1984-1985 program will be available in July from the President's Commission on White House Fellowships, 712 Jackson Place NW., Washington, D.C. 20503.

Proclamation 5065—National Safe Boating Week, 1983 May 25, 1983

*By the President of the United States
of America*

A Proclamation

Americans increasingly look to the water for recreation and relaxation, and this year approximately one-quarter of them will enjoy boating in one of its many and varied forms.

It is of paramount importance that those involved in recreational boating recognize that observance of proper safety practices is essential to the enjoyment of boating. In order to protect their families and friends, all persons who use our waters should be courteous and well-versed in safety rules and the techniques of safe boating operation.

Since learning the fundamentals of safe boating adds to the pleasure of boating, participants should take advantage of the many boating courses offered by Federal and State agencies and private organizations.

In addition, all persons should wear a personal flotation device while on the water. Seventy-five percent of those who died in boating accidents last year might have been

saved had they worn these devices.

In recognition of the need for boating safety, the Congress enacted the joint resolution of June 4, 1958 (36 U.S.C. 161) as amended, requesting that the President proclaim annually a National Safe Boating Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning June 5, 1983, as National Safe Boating Week.

I also invite the Governors of the States, Puerto Rico, the Northern Mariana Islands, the Virgin Islands, Guam, and American Samoa, and the Mayor of the District of Columbia to provide for the observance of this week.

In Witness Whereof, I have hereunto set my hand this 25th. day of May, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:36 a.m., May 26, 1983]

Appointment of James Webb as a Member of the National Voluntary Service Advisory Council May 25, 1983

The President today announced his intention to appoint James Webb to be a member of the National Voluntary Service Advisory Council. This is a new position.

Mr. Webb is a writer. He was assistant minority counsel to the House Committee on Veterans Affairs in the U.S. Congress in 1977–1978. In 1979 he became the first visiting writer at the United States Naval Academy. He returned to the Congress in

1979 to become the chief minority counsel for the Veterans Affairs Committee. Since 1981 he has been a full-time writer.

He graduated from the United States Naval Academy in 1968. Mr. Webb received a degree from the Georgetown University Law Center in 1975. He is married, has two children, and resides in Arlington, Va. He was born February 9, 1946, in St. Joseph, Mo.

Nomination of Joseph Alison Kyser To Be a Member of the Federal Farm Credit Board

May 25, 1983

The President today announced his intention to nominate Joseph Alison Kyser to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1989. He would succeed Lawrence Owen Cooper, Sr.

Mr. Kyser owns and operates a farm in Greensboro, Ala. He has been president of the Greensboro Farmers Cooperative since 1973. He is director and past chairman of

the Federal Land Bank Association of Demopolis. He is a member of the National Cattlemen's Association and the Tri-County Cooperative.

He graduated from Auburn University with a bachelor of science degree in agriculture. He is married, has four children, and resides in Greensboro, Ala. He was born June 7, 1913, in Minter, Ala.

Statement on Senate Approval of Funding for the MX Missile

May 25, 1983

I salute Republican and Democratic Members of the House and Senate who have made a decisive, historic contribution to our nation's security. Thanks to them, America is blessed with a new bipartisan unity that can make us both stronger and safer than before.

As we prepare to leave for Williamsburg and confer with other leaders of the free world, I can think of no more welcome message to give them than the one Congress has just given me: back-to-back votes of confidence in the recommendations of the Scowcroft commission to modernize our strategic forces and carry us forward on the road to genuine arms reductions.

In coming weeks, the Members of the Congress will be asked to reaffirm their

votes of yesterday and today. I pledge to them my full cooperation and consultation. I also pledge to continue working closely with the Congress in pursuit of a reduction of nuclear arsenals.

We understand the task ahead. We have demonstrated our unity and courage. We have reason to hope for a more secure and peaceful future. My fondest wish is for the eventual elimination of nuclear weapons. In this spirit, I urge the Soviets to join us at Geneva in taking that first giant step—an equitable and verifiable agreement that substantially reduces the level of nuclear arsenals on both sides.

The time for progress in negotiations is now. The citizens of the world want nothing more, and they deserve nothing less.

Nomination of Hume Alexander Horan To Be United States Ambassador to Sudan

May 26, 1983

The President today announced his intention to nominate Hume Alexander Horan, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassa-

sador to the Democratic Republic of the Sudan. He would succeed C. William Kontos.

Since 1980 Mr. Horan has been Ambassa-

dor to the United Republic of Cameroon and served concurrently as Ambassador to the Republic of Equatorial Guinea in 1980–1981. Previously he was Senior Deputy Assistant Secretary of State for Consular Affairs in 1978–1980; member of the Executive Seminar in National and International Affairs at the Foreign Service Institute in 1977–1978; Deputy Chief of Mission in Jidda in 1972–1977; political officer in

Amman in 1970–1971; desk officer for Libya in 1967–1969; and personnel officer in the Bureau of African Affairs in 1966–1967.

Mr. Horan served in the United States Army in 1954–1956. He graduated from Harvard University (A.B., 1958; A.M., 1963). He was born August 13, 1934, in Washington, D.C. He is married, has three children, and resides in Cranford, N.J.

Interview With Foreign Television Journalists May 26, 1983

Mr. Schlesinger. My name is Joe Schlesinger. We're in the East Room of the White House with President Reagan to talk about some of the subjects that will be coming up at Williamsburg. There are six of us here, television journalists from networks in the six countries whose leaders will be meeting with the American President.

I am from the CBC in Canada. From Japan, we have Yoshiki Hidaka of NHK. From Italy, Sergio Telmon of RAI. Christine Ockrent is from Antenne 2 in France; Fritz Pleitgen, from ARD in West Germany. And John Suchet from Britain's ITN.

Economic Issues

Mr. President, since this is, after all, an economic summit, let's start with the economy. There's good news there; the economy is picking up. But if the leaders whom you'll be dealing with have one thing in common, it's that they're worried about the size of the budget deficits that your administration is running up. They're afraid that it will abort the recovery. What is your reaction, sir, to this, especially since you're an old foe of deficit financing?

The President. Yes, I am. And I think about half of our deficit is due to the recession, which, as we know, is worldwide, and the other half, I think, is structural. This is the thing we've been trying to deal with with the Congress, regarding reductions in spending. But the main way that we can handle the deficit, I think, is the program that we have underway right now, and that is to restore the economy. There's a limit to

how much you can achieve in reducing spending. There's a limit to how much you could achieve if you try to do it with taxes, in addition to which you're threatening, then, the recovery by removing the incentives that I think have brought about the start of the recovery.

The answer does lie in economic growth. If we, for example, could for the next few years—if we were 1 percentage point higher than our estimate in the growth of the economy, it would reduce the deficit by a hundred billion dollars a few years from now. So, we're proceeding. And we think that our program is right, because we started with interest rates that were more than twice as high as they are now. We started with an inflation rate that was more than three times as great as we've brought it down to. And, of course, it is the inflation which contributes to the high interest rate. A lender has to get back the depreciated value of his money, plus real interest earnings on it.

As a matter of fact, the last several months, our inflation rate has been running at less than half of 1 percent. So, we think that our program is working. And we have a plan that I submitted to the Congress with regard to our budget and contingency taxes for the out-years—once we have established the recovery as definite—that we would be willing to assume, which would lead to a declining pattern of deficits in the out-years and, down the line, a balanced budget.

Mr. Schlesinger. But to follow up, sir, right now the way the deficits are structured, they may soak up as much as 70 percent of all the net savings in the United States. In other words, \$7 out of \$10, instead of going into the investments that you're talking about, to create jobs, are going to go to service that deficit.

The President. On the other hand, maybe not that much, because we have—with the tax programs that we've put into effect—we have seen an increase in the percentage of personal savings of billions of dollars that over these same next few years, I think, are being underestimated as to what they will contribute to the pool of capital that is available for investment.

East-West Relations

Mr. Hidaka. Mr. President, I'd like to ask you about East-West relations, sir. Your government is taking much stricter anti-Soviet line compared to other allies. And recent news reports said you are not going to meet Mr. Andropov this year. My question is, how do you plan to present this problem to the leaders at the summit?

The President. Well, first of all, there seems to be a misperception that we're interested in some kind of a trade war with the Soviet Union, and we're not at all. The very fact that we have told the Soviets that we're willing to sit down and negotiate a long-term grain agreement is evidence of that.

But what we are concerned about is the Soviet expansionism, and particularly when it comes into the Western Hemisphere. There have been several Soviet vessels, recently, unloading weaponry in Nicaragua and for the use in the effort to overthrow the Government of Salvador. We don't look upon those as friendly acts.

But the East-West trade—I think we and our allies are in very much agreement on that. There have been constant consultations in the year since the Versailles summit in which we have come to agreements on the trade that we don't want to extend to the Soviet Union—is high technology that can contribute to their further military buildup. And, as I say, we're in great agreement on things of that kind.

We don't believe that while they're de-

voting so much of their resource to this military buildup that we should engage in trade in which we, in a sense, subsidize our exports to the Soviet Union, or give them favored treatment with regard to low interest rates on longtime credit, and so forth. On the other hand, selling to them and their having to put out cash as the rest of us do in order to buy is going to take that much money away from their ability to add to their military forces.

Mr. Hidaka. I understand, but don't you expect that your not meeting with Andropov this year makes much more difficult for you to convince other leaders to follow your lead on this matter?

The President. No. We have contact with the Soviet Union and communication with them at several levels and channels, all the way to the top. There's been no evidence on Mr. Andropov's part that he is ready for such a meeting. He is engaged, as anyone would be in his position, in settling himself into his new position.

And I think just to have a summit meeting—which might raise the hopes of people all over the world—simply to get acquainted, and then nothing positive comes from it, makes no sense. It's been tried before and with sad results for our own country and for the world. I am perfectly willing to meet with him when there is an agenda and when there are legitimate issues that could be resolved to the benefit of all of us, worldwide.

Economic Issues

Mr. Telmon. Mr. President, the scenario for recovery is not uniform at all. The American engine is going strong. The Italian economy is not moving yet. Do you expect the recovery will benefit all our nations?

The President. Yes, I think it will. I do believe that—well, believe, I've been told by leaders of our allied states—that recovery must begin in the United States. Evidently, we are that much of a factor in world commerce. And they are pleased to see it beginning here and believe that it is aiding their own recovery.

For example, the United States will be importing to such an extent that we'll have

a \$55-60 billion trade imbalance, that we will be buying that much more than we're selling, which should be of benefit to our trading allies.

Mr. Telmon. There are less optimistic forecasts—of a short recovery. Do you plan to coordinate at Williamsburg with the other leaders all the necessary measures to remove the obstacles to a strong recovery?

The President. This will be one of the principal subjects at Williamsburg, at the summit meeting, discussing how we can bring convergence of policies together, because all of us need a long-term recovery, and that's what our plan is aimed at—not the what I call "quick fix" that has been tried in the past, since World War II, and each time has only been temporary and results in a worse recession a few years later. And I think this means all of us doing a job together to reduce inflation worldwide.

We have been through the longest period of worldwide, sustained inflation in history. And it has been worldwide. And I think the very fact of our success in bringing inflation down as rapidly as we have is going to be helpful in the other countries, as well. And as long as we can stay on that path, not of quick fixes, but all of us seeking long-term, solid economic recovery—sadly enough, the last thing ever to recover from a recession is in the unemployment situation. But even there, there are beginning signs. And that is the ultimate goal of all of us—is to put our people back to work.

Ms. Ockrent. Mr. President, you have repeatedly stated that France is your best ally, at least on defense issues. Why then respond with indifference or benign neglect to French and European alarm over the rise of the dollar and the interest rates? Isn't it time the United States realized they cannot pretend to political leadership of the West if they do ignore their economic responsibilities?

The President. Well, we're not ignoring our economic responsibilities. We didn't ask for the strong dollar. The strong dollar came about because of our success, so far, in reducing inflation in our country in comparison to the decline in inflation in other countries.

But the figure that I just used a moment ago, the fact that we will have a \$55 billion

to \$60 billion imbalance in trade this year, is an indication of the penalty that we suffer from a strong dollar. It makes our exports higher priced and, therefore, not as desirable. And it also is beneficial to the other countries that are selling to us.

But we'd like to have a better trade balance. But I think the relationship between the currencies must be resolved by this general recovery and by more stability and more closeness as to inflation rates worldwide.

Ms. Ockrent. Do you believe you are going to have a direct confrontation over these issues with President Mitterrand at Williamsburg?

The President. No, I don't really expect confrontation there. I think that all of us—I've been in communication with each one of the leaders, individually, and our people have been meeting at the ministerial level in IEA, in the energy situation, in OECD.

We're pretty much all agreed upon our participation in the international funding groups such as the International Monetary Fund, the World Bank, and so forth. And I think we honestly are going to come together in an effort to find ways that we can have that convergence I mentioned, where we can try to go forward together in the policies that we're following to get over inflation.

If one country is going to practice great inflation, their dollar is going to be weak. And currencies are going to be stabilized when we conquer inflation.

Defense Issues

Mr. Pleitgen. Regarding the INF talks, in Germany there's a growing concern that the United States is not negotiating seriously enough. Among the critics is our former Chancellor, Helmut Schmidt. What can you tell the Germans in this regard? And why can't you accept the Nitze-Kvitsinskiy outline limiting the West to 75 cruise missiles and reducing the Soviet SS-20's, also, to 75? In our country, a lot of people think we could have lived with this.

The President. I don't think they quite understand what the situation would be. Incidentally, we have been in full consultation with the leaders of all of your countries on

the INF negotiations and will do nothing without consulting first with them. This has been one of the great steps forward that I think we've made in these last 2 years. And I've had the gratitude expressed by your leaders for the fact that we are in this close contact on all these major issues.

I don't know that the walk in the woods would have been acceptable even to the Soviet Union with its proposal. But let me point out something. The SS-20 has three warheads each, so it would be three times 75. It also, once the button is pushed, arrives at the target in about 5 to 7 minutes. The cruise missile is an in-flight vehicle that would be in the air, you might say, in a matter of hours and is, therefore, subject to the same kind of conventional defensive weaponry—anti-aircraft type weaponry, picked up on radar and aimed by radar and so forth—that an airplane would be.

It wasn't very much of a deterrent. And what we're seeking is not a counterweapon that we want to use against the Soviet Union. We're seeking a deterrent. The closest thing is the Pershing II missile, which the allied countries asked for. You know, this isn't something we volunteered. And they asked for it as the Soviets continued to build these intermediate-range weapons aimed at the Western European target.

And let me point out again that the Soviet Union, during all these negotiations—when the late Mr. Brezhnev said that they had achieved parity with us, now, we had nothing, and when I say we, I mean NATO forces on the Western front, to match their weapons—but they continued to build. And they have added several hundred more warheads during the time, the brief time of these negotiations. Today they've got over 1,300 of those warheads targeted on Europe.

I believe that deploying on schedule, when the time comes later this fall, this winter, that the schedule calls for in the deploying of our weapons, will be the thing that will bring the Soviets legitimately into negotiations. Right now they seem, with their propaganda, to have pinned their hopes on preventing our deployment. But any proposal they make is one in which they still have a monopoly, and they view us as having nothing on our side.

I think once they see that we and our allies are determined to go forward with the deployment of these weapons, then I think they might meet us in legitimate negotiation. They will probably—this will be for a reduction in the numbers of those weapons, such as we have proposed in what we call an interim solution. I would hope that as we advance on that, that they would see the value of total elimination, zero on both sides, which is what we originally proposed, and leave Europe free of those weapons which could almost instantly target the other countries.

Mr. Pleitgen. I agree. But if the INF talks fail, what kind of a—what gain of security have we then, when we have got 572 American new missiles but are targeted by 1,500 Soviet SS-20 warheads? Could it be a combination of both talks, INF and START, a way out of this deadlock?

The President. Oh, this is what we hope very much. But in the meantime, what we and the allies must maintain is a deterrent. I don't think that any one of us ever contemplates a first strike or making war, and we don't want the other side to have a first strike or make war. Therefore, what we must maintain is not necessarily superiority, but enough force in which the result of a first strike would result in unacceptable damage to the Soviet Union and its allies.

This is the deterrent. And so far, the deterrent has worked now for almost 40 years that there has been peace in Europe. And this is what we're seeking. I think it would be destabilizing if we ourselves sought what they might look at as giving us the potential for a first strike, and there's no point in us doing that. All we need is enough that they have to weigh the consequences to themselves, regardless of what damage they would do to us.

Mr. Suchet. Mr. President, a major issue in the British general election is the basing of American cruise missiles in Britain. Mrs. Thatcher has said in Parliament that she has received an explanation from you as to who will be in control of firing these missiles, but you, as yet, have said nothing publicly. Would you tell the British people now who is ultimately in control of firing these missiles, you or Mrs. Thatcher?

The President. Well, let me say that we will—I don't think either one of us will do anything independent of the other. This constitutes a sort of veto power, doesn't it? But we have an understanding about this and would never act unilaterally with any of our allies on this.

Mr. Suchet. I think the British people are very concerned about the basing of these missiles in their own country. Perhaps they deserve to be all the more so, since you seem reluctant to say that the power to fire them does not rest with you.

The President. Well, they can rest assured. But my reluctance to say anything is based on the fact that we get dangerously into the area of telling others not friendly to us what our policies might be. And I don't think we should do that.

Mr. Schlesinger. Mr. President, some of the opposition to your defense policies, whether it be the stationing of Pershing II's in Europe or the testing of cruise missiles in Canada, stems not so much from what you're doing as much as what you're saying. There is a perception out there among many people when they hear you talking about the immorality of the Soviet system, about the Russians lying, that you're bent more on a crusade than pure defense, that you're too warlike.

The other day, Prime Minister Trudeau, in defending the testing of cruise missiles in Canada against considerable opposition, said that you and some of the people around you have, as he put it, given some justification for fears that you cannot be trusted to look for peace.

Now, how do you react to such charges? And, incidentally, did Pierre Trudeau ever talk about these fears to you personally?

The President. No, and—well, he talked about that particular interview and suggested to me that it did not correctly represent his views. Sometimes words can be taken out of context. I have called him to thank him for the open letter to all the Canadian people that he delivered to all the press of Canada in which there it is, with nothing out of context, and you can see how he feels.

I know that there's been an effort to express doubt as to whether I really mean it about arms reductions. Let me assure all of

your audiences right now, I campaigned over and over again saying that I would stay in negotiations as long as it took to arrive at a real, legitimate reduction of these nuclear strategic weapons; that I believe this is the only future for the world. I not only believe that, but I would like to think that if we can get the Soviet Union to start with us down that road of reductions, they then might see the common sense in going all the way.

I cannot conceive of the world going on endlessly, future generations, with these horrible weapons poised and aimed at each other. The risk is too great. And their total elimination should be the goal of all of us. And I will persist in this and try for this with every means at my disposal. And I believe in it with all my heart.

So, I can't at the same time ignore, nor should the civilized world ignore the conduct of a country that today is bombing helpless women and children, is using chemical warfare, places like Kampuchea and Afghanistan. I don't think that we can remain silent, as too many of us in the world did when Hitler was coming to power, in the face of this kind of conduct. I don't know whether your television networks carried the program that we saw one day of Soviet soldiers being interviewed in Afghanistan, soldiers that have deserted and gone over to the Afghan side. And in every instance, when they were asked why they deserted, they said, "Because we were ordered to kill women and children."

And if I speak frankly about those things, it's because I believe that we in the Western World, in the free world, must make it clear that, yes, we want peace and, yes, we're willing to sit down and work out agreements with the Soviet Union, but we want them to know that we're not going to forsake our principles that are based on a love of humanity in order to achieve this.

Trade Issues

Mr. Hidaka. I ask you about trade now. You have said you're going to veto the local content bill even if it passed the Congress. How do you think about, personally, to exclude a Japanese or a foreign-made automobile out of the United States?

The President. Now, did I understand correctly—

Mr. Hidaka. Local content bill.

The President. Oh, yes.

Mr. Hidaka. You said you're going to veto even if it passed the Congress.

The President. Yes, I think they would be counterproductive.

Mr. Hidaka. I would like to ask your personal feeling about excluding Japanese automobiles or foreign-made automobiles out of the United States.

The President. No, I am opposed to protectionism. Protectionism is a two-way street. And I think our Congress knows that I am. And this will be one of the subjects at the summit. And I've been in close consultation with your Prime Minister Nakasone on this whole matter, and I appreciate very much his feeling and his approach to fair trade and free trade among nations. So, I will oppose any efforts here in our own country at unwarranted protectionism. We had that.

I may be the only one old enough to remember the Great Depression. That, too, was worldwide and far greater and deeper than this recession has been. But at that time, a part of what kept it going and fed the fires of that Depression was protectionism throughout the world and our own Smoot-Hawley tariff bill which was passed at the beginning of that Great Depression. That is not the way to go. Open trade, fair trade, is what we must have.

Lebanon

Mr. Telmon. One word, Mr. President, the future of the peacekeeping forces in Lebanon?

The President. The future of them? Well, I am hopeful that Syria, reluctant now, could be persuaded to do as the Israelis have agreed and leave, as they promised they would. The peacekeeping forces—yours, the French, our own—are there at the invitation of the Government of Lebanon to help keep things stable while Lebanon, after all these several years of division and dispute, once again assume sovereignty over its own soil. And, therefore, my own feeling is we should be willing to maintain them there until the Government of Lebanon says they have things under control

and no longer need them.

El Salvador

Ms. Ockrent. Mr. President, the first American military adviser has just been killed in Salvador. To you, is it a signal not to increase your military presence in that area or, on the contrary, a reason to do so? And, if so, why is it that American democracy in that part of the world always seems to support the extreme right?

The President. Well, in this instance, pardon me, the reverse is true. There's no question, the past history of El Salvador has been a history of military dictatorships, as has been true in so many of our neighbors to the south, but this is a government, now, elected by the people. They had elections last year. More than 80 percent of the people turned out to vote, and they voted for peace. They voted for this government and an end to the guerrilla activity which is backed and sponsored by Cuba, by the Government of Nicaragua, and by the Soviet Union.

Our help in that area has been three-quarters economic help to their attempts to bring about these democratic reforms, to one-fourth military help, and we shall continue on that ground.

This tragedy, this young man being murdered, follows reports that we've had that the guerrillas were going to move in with terrorist groups, and move in closer to the capital, and try to bring terrorist acts right to the very heart of the capital of El Salvador. It is not going to change our attitude about the necessity to continue both the economic and the military aid which we're giving.

The contrast is in Nicaragua, where a revolutionary government did overthrow a right-wing government. And our country—I wasn't here then, but my predecessor did not lift a finger to help that right-wing government; indeed, when the revolutionary government came into power, immediately offered financial and economic aid. But what happened in that revolution was—built, as it was, of a coalition of forces—they ousted the democratic forces. And the group that is in power now in Nicaragua is as totalitarian as any Communist country.

And they are seeking—they are aiding the guerrillas that are trying to overthrow the democratic government of El Salvador.

And the guerrillas that are fighting in Nicaragua are parts not of the government that was thrown out of power, they are formerly allies in the revolution who are seeking to restore the original goals of the revolution which were democracy, elections. Incidentally, El Salvador is going to have another election before this year is out to elect a President. So, we're not supporting right-wing governments.

East-West Trade

Mr. Pleitgen. Mr. President, may I come back to the East-West trade? You recently said, "There is peace among the allies on this issue." Now, the Germans want to pursue, as normal as possible, economic relations with the Soviet Union, including participation in the development of Siberia. One matter under consideration, for example, is a multibillion coal liquefaction project. Does the "peace among the allies" cover such ventures?

The President. Well, I know that in the ministerial meetings that have been held so far, there has been great agreement among us about the need not to trade, as I say, in high technology, which aids the Soviet Union militarily; not to give low interest, long-term credit for their buying. And so I would feel that, with the communications that I've had with your Chancellor, that they're continuing on that line with what would be legitimate and normal trade of the kind that we've proposed with our own grain agreement.

Prime Minister Thatcher

Mr. Suchet. Mr. President, Mrs. Thatcher is putting in what can only be described as a flying visit to the Williamsburg summit.

You, obviously, hope it will be worth her while. In what way might it be?

The President. Well, I'm sure that it will be. And I must say, being now a veteran of only two previous summits—the one in Canada and the one in France—your Prime Minister makes a very valuable contribution to every one of those summits. I have great respect for her and so do all the others. And it was going to be a great loss to all of us if, because of the election, she had felt that she could not be here. And we recognize the sacrifice she's making in the behalf of all of us and appreciate it very much. But I know that she will be a solid contributor on these subjects we've talked about—on the need for continued economic recovery, on the need for fair trade without protectionism and, again, on the East-West situation.

I know, also, that we can count on her with regard to the position on the INF and the START negotiations. So, we're delighted that she's going to be here, and we're looking forward to her arrival.

Mr. Schlesinger. Thank you very much. Thank you very much for being with us. I hope you have a good summit meeting at Williamsburg.

The President. Thank you very much. It's going to be a little different than in the past, and this meets also with the approval of all of our leaders. I wanted them to not be so rigid as to agenda that they would write a communique in advance of what the meetings accomplished. We're going to throw the floor open for legitimate, informal discussion on all subjects.

Mr. Schlesinger. Aren't your officials going to rein you in?

The President. No. They kind of like it this way, too. [Laughter]

Note: The interview began at 10:30 a.m. in the East Room at the White House.

Accordance of the Personal Rank of Ambassador to Robert J. Morris While Serving as Deputy Coordinator for the East-West Program May 26, 1983

The President today accorded the personal rank of Ambassador to Robert J. Morris,

of Iowa, in his capacity as Deputy Coordinator for the East-West Program. He is a

career member of the Senior Foreign Service, Class of Minister-Counselor.

Mr. Morris served in the United States Navy in 1956–1959 as a lieutenant. In 1960 he entered the Foreign Service as international economist in the Department. In 1962–1964 he was economic officer at USEC Brussels and an international economist in the Department in 1964–1966. In 1966–1967 he was an Atlantic affairs trainee at Johns Hopkins University. He was economic and commercial officer in Paris in 1967–1971. He was on detail to the White House on the Council on International Economic Policy (1971–1974) and was Special Assistant in the Office of Under Secretary of

State for Economic Affairs (1974–1975). He was Deputy Chief of Mission at USEC Brussels (1975–1978) and minister-counselor and economic and commercial officer in London (1978–1982). In the Department he was Senior Deputy Assistant Secretary of State for Economic and Business Affairs in 1982–1983, and since 1983 he has been Deputy Coordinator for the East-West Program.

Mr. Morris graduated from Holy Cross College (B.A., 1956) and Yale University (M.A., 1961). His foreign language is French. He was born September 14, 1933, in Des Moines, Iowa.

Remarks of the President and Prime Minister Amintore Fanfani of Italy Following Their Meetings May 26, 1983

The President. Prime Minister Fanfani and I have had productive discussions today covering a wide range of issues. We confirmed the broad consensus that exists between our two countries on matters concerning the Middle East, Western security and solidarity, international economic cooperation, and world peace.

I took this occasion to thank the Prime Minister for Italy's continuing vital contribution to the Western alliance, particularly in regard to INF, on which Italy's support has been exemplary. I can say without reservation that the United States regards Italy's role in NATO as second to no other member of the alliance and our friendship as a precious asset.

In recent months, Italy has been demonstrating its courage and its admirable sense of responsibility in the multinational force and observers in the Sinai and participating in UNIFIL and as a part of the multinational force in Lebanon. And Italy has been doing its share and more. This burden, as must be expected, has not been without cost. I expressed to the Prime Minister our deep regret over the death of Italian soldier Filippo Montesi and the wounding of sever-

al more Italians in Lebanon. These brave men stood side by side with our marines serving the cause of peace in that troubled country.

Italy has also been in the forefront of endeavors to promote harmony in the horn of Africa and in seeking tangible progress to alleviate world hunger. In the important area of East-West economic relations, the Prime Minister and I confirmed the significance we attach to current discussions aimed at achieving a broad transatlantic consensus. As we proceed on to Williamsburg, I'm most grateful to have the continuing benefit of Italy's wise counsel and advice.

We Americans share the values of democracy and individual choice. And since Italy's spectacular liberation of General Dozier from his Red Brigade captors back in 1982, the general feeling around Washington has been *Viva Italia*. The genuinely friendly nature of our relations and Italy's tangible commitment to preserving peace and freedom cause me to repeat that sentiment today.

America is proud to have Italy as a friend and as a partner in meeting the challenges

ahead. And I personally look forward to having the continued counsel and support of Prime Minister Fanfani and other Italian leaders.

And welcome again, Mr. Prime Minister.

The Prime Minister. Mr. President, at the White House in the past, with President Eisenhower in 1958 and then again with President Kennedy in 1961 and 1963, I had already experienced those possibilities of understanding which exist between the United States and Italy. I thank President Reagan who, by his courteous invitation, has afforded me the opportunity to ascertain again how solidly the friendship that was so successfully promoted by Alcide de Gasperi has been maintained.

In his cordial welcome, President Reagan has pointed out some important aspects of this friendship, the Atlantic alliance, which commits us also with respect to intermediate-range nuclear forces, ensures peace through the necessary arms balance. Our common action in the Sinai and in Beirut facilitates the settlement of difficult situations. In Geneva, Vienna, and Madrid, we are seeking just solutions to the problems of disarmament and respect of human rights.

I also wish to recall two beneficial effects of this longstanding cooperation of ours: the rise of Italy from the situation in which it found itself at the end of the Second World War amid all the destruction, to the position of being one among the seven most industrialized countries in the world; and the cooperation given to the United States also by Italy in order to avoid that the 1962 Cuban missile crisis become the first nucle-

ar war. These are two effects of a common action for progress and peace.

Today there are two major causes for concern for all people—the economic crisis and the threat of a nuclear clash. The exchange of views with President Reagan allows me to consider today's meeting as useful in order to strengthen two great hopes—the hope for economic recovery, which is to be consolidated at Williamsburg, and the hope for a constructive conclusion for the missiles negotiations currently taking place in Geneva.

With the fulfillment of these two hopes, the world's economy will benefit from the recovery we all seek. Peace, even today uncertain, will become finally secure. Millions of individuals will return to work. All peoples, especially those from the Third World, will resume the path to development. Funds, which will be subtracted from armaments, will give a decisive impetus to the third industrial revolution.

The clearing of the horizon will make the citizens of the United States and of Italy realize once again that cooperation between their two countries continues to be an important factor for peace and progress.

Note: The President spoke at 1:16 p.m. to reporters assembled at the South Portico of the White House. The Prime Minister spoke in Italian, and his remarks were translated by an interpreter.

Earlier, the President and the Prime Minister met in the Oval Office and then held a working luncheon, together with U.S. and Italian officials, in the Residence.

Executive Order 12423—Foreign Assistance and Arms Control May 26, 1983

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 621 of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2381), and Section 2778 of Title 22 of the United States Code, it is hereby ordered as follows:

Section 1. Section 1–301(b) of Executive Order No. 12163, as amended, is further amended by deleting “and 635(g)” and inserting in lieu thereof “635(g), and 636(i)”.

Sec. 2. Section 1(d) of Executive Order No. 11958, as amended, is further amended to provide as follows: “Those under Sections

22(a), 29 and 30 of the Act to the Secretary of Defense.”.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:37 a.m., May 27, 1983]

The White House,
May 26, 1983.

Message on the Observance of Memorial Day May 26, 1983

Memorial Day is a time to take stock of the present, reflect on the past, and renew our commitment to the future of America.

Today, as in the past, there are problems that must be solved and challenges that must be met. We can tackle them with our full strength and creativity only because we are free to work them out in our own way. We owe this freedom of choice and action to those men and women in uniform who have served this nation and its interests in time of need. In particular, we are forever indebted to those who have given their lives that we might be free.

I don't have to tell you how fragile this precious gift of freedom is. Every time we hear, watch, or read the news, we are re-

minded that liberty is a rare commodity in this world.

This Memorial Day of 1983, we honor those brave Americans who died in the service of their country. I think an ancient scholar put it well when he wrote: "Let us now praise famous men . . . All these were honored in their generation, and were the glory of their times. Their bodies are buried in peace; but their name liveth for evermore." As a tribute to their sacrifice, let us renew our resolve to remain strong enough to deter aggression, wise enough to preserve and protect our freedom, and thoughtful enough to promote lasting peace throughout the world.

RONALD REAGAN

Letter to the President of the National Education Association on Merit Pay for Teachers May 26, 1983

Dear Mr. McGuire:

The report of the National Commission on Excellence in Education makes several significant recommendations, but the first two recommendations offer key elements in an effort to correct the alarmingly deficient performance of our schools. These two recommendations state, in part, that:

1. Persons preparing to teach should be required to meet high educational standards, to demonstrate an aptitude for teaching, and to demonstrate competence in an academic discipline. Colleges and universities offering teacher preparation programs should be judged

by how well their graduates meet these criteria.

2. Salaries for the teaching profession should be increased and should be professionally competitive, market-sensitive, and performance-based. Salary, promotion, tenure, and retention decisions should be tied to an effective evaluation system that includes peer review so that superior teachers can be rewarded, average ones encouraged, and poor ones either improved or terminated.

I was surprised to read in the press that the NEA considered my remarks calling for

teachers to receive pay based on merit, rather than seniority and number of college credits earned, as a "disgraceful assault on the teaching profession." My intent was to support the recommendations of the National Commission on Excellence in Education and to raise my voice on behalf of the thousands of outstanding teachers whose compensation is held down by pay scales that fail to recognize and reward many distinguished teachers by paying them commensurate with their worth.

The Commission's report makes clear that this panel of distinguished educators, scientists, and scholars uses the term *Master Teacher* to identify those individuals particularly deserving of recognition, rewards, and additional responsibilities. As you know, Secretary Bell has been calling for adoption of the Master Teacher concept for over two years. This Administration is concerned about our teachers and we want to be helpful in achieving some badly needed reforms.

I incorporated the Commission's recommendations in my commencement address at Seton Hall University. I favor the use of an effective evaluation system to guide decisions made in the retention, promotion, and tenure of teachers. Additionally, as the Commission points out, teachers should have a voice in these decisions, through a peer review system that includes teacher participation.

I cannot understand how the NEA concluded that these remarks, intended constructively to support the Commission's recommendations on how to improve the teaching profession, constitute an assault on teachers. In my view, the teaching profession has suffered for years from lack of recognition and reward of our most talented teachers. I would think that the NEA would join in this endeavor rather than strike out with criticism of these important recommendations.

I was heartened to learn that Tennessee Governor Lamar Alexander had proposed to his State legislature a Master Teacher salary scale that would recognize and reward outstanding teachers. But I was disappointed to learn that this proposal was

not enacted largely because of the vigorous opposition by NEA and its State affiliate, the Tennessee Education Association. Secretary Bell has been working with governors, State legislators, school boards, school administrators, and teachers on the Master Teacher concept, and we believe that the Tennessee plan would have been a great first step.

My Administration is deeply concerned about the condition of the teaching profession. We are neither attracting nor keeping sufficient numbers of bright and talented citizens in the teaching profession. Until NEA supports badly needed reforms in salary, promotion, and tenure policies, the improvements we so desperately need will only be delayed.

I am responding to your public comments concerning the merit pay proposals with the hope that your organization might be persuaded to change its position on merit pay scales for teachers. I fear that NEA's long-standing opposition to new ideas like the Tennessee Master Teacher proposal has been a major obstacle to paying our outstanding teachers what they deserve.

I sincerely hope you will reconsider your position. This is the key to improved learning opportunities for the nation's schoolchildren. This was the intent of my remarks. We have an unprecedented opportunity to make great strides in education now that this panel of distinguished citizens has made such an outstanding report to the American people. Let's all join together and improve teaching and learning in America. I agree with the Commission: Our nation is, indeed, at risk. Because of the nation's 45 million elementary and secondary schoolchildren, we should all pitch in and take the first crucial step to improve the teaching profession. I hope the NEA, of all the organizations in this nation, would be a leader in advancing this long overdue reform.

Sincerely,

RONALD REAGAN

[Mr. Willard H. McGuire, President, National Education Association, 1201 16th Street NW., Washington, D.C. 20036]

Nomination of Stephen S. Trott To Be an Assistant Attorney General

May 26, 1983

The President today announced his intention to nominate Stephen S. Trott to be an Assistant Attorney General (Criminal Division), United States Department of Justice. He would succeed D. Lowell Jensen.

Mr. Trott is presently serving as U.S. attorney for the Central District of California. He was appointed to this position by President Reagan in December of 1981. In his present capacity, Mr. Trott is also serving as Chairman of the Department of Justice Law Enforcement Coordinating Committee for the Central District of California and as Coordinating U.S. Attorney for the Central California/Nevada Regional Drug Trafficking Task Force.

Between September 1979 and December 1981, Mr. Trott served as the head deputy district attorney for the Western District,

Office of the District Attorney of Los Angeles County. Between October 1975 and September 1979, Mr. Trott served as chief deputy district attorney for the County of Los Angeles. He served as head deputy district attorney for the Organized Crime and Narcotics Division between 1972 and 1975. In 1981 Mr. Trott was the recipient of a citizens' citation for Exceptional Work on behalf of Victims of Violent Crimes awarded by the Rape Treatment Center, Santa Monica Hospital Medical Center.

Mr. Trott graduated from Wesleyan University (B.A., 1962) and Harvard University Law School (LL.B., 1965). He is married and has two children and presently resides in Los Angeles, Calif. He was born December 12, 1939.

Statement on the Death of Joseph R. Holmes

May 27, 1983

Nancy and I and all the members of the White House staff are deeply saddened today at the news of the death of our dear friend and respected colleague, Joe Holmes. In mourning Joe's passing, however, we can't help but admire the courage and tenacity with which Joe battled his cancer, always maintaining his sense of humor and conducting business from his bed until the very end.

Joe Holmes was a valued friend and a trusted aide. As a member of the staff during my days as Governor, he was responsible for coordinating my media program and earned the respect of all who knew and had the privilege of working with him. As a spokesman during the campaign,

Joe always articulately and honestly answered the questions posed, and as Coordinator of White House Audio-Visual Services, Joe made a significant and lasting contribution to history and did so in a manner which exemplified the best of public service.

It is difficult to think of Joe not being with us any longer, but knowing him, he would not want us to dwell on sadness but rather to tell a funny story and enjoy life, as he always did.

We extend our deepest sympathy to his sons, Tom and Quinlan, and hope they will be strengthened by many wonderful memories of a very special man.

Statement on Signing the Foundation for the Advancement of Military Medicine Act of 1983

May 27, 1983

I have signed today S. 653, which amends title 10, United States Code, to establish a Foundation for the Advancement of Military Medicine, and for other purposes.

The bill establishes a foundation to perform a variety of functions that are within the scope of those vested by statute in Uniformed Services University of the Health Sciences. Although not mentioned in the bill's statement of purposes, the Senate committee report indicates that the Foundation would be designed primarily to receive gifts, grants, and legacies from private sources and channel them to the University, and thus to further the University's teaching, research, and services without additional government expenditures. I am in full sympathy with this worthy purpose behind the bill.

The bill provides, however, that of the nine members of the Council of Directors, the governing body of the Foundation, four *ex officio* members of the Council are to be Members of Congress and the four operating members of the Council are in effect to be appointed by the congressional members.

The Attorney General has advised me that this reservation by Congress of the power to appoint the officers who are to discharge the legal responsibilities of the Foundation with the intent to remain involved in the direction and supervision of the Foundation constitutes a violation of the principle of the separation of powers. The separation of powers requires that after a statute has been enacted by the legislature it may be enforced or interpreted only by the executive or judicial branches.

I fully support proper effort to shift to the private sector some of those functions and funding methods which are now being performed by the government. However, this valid and worthy objective should be carried forward consistent with the principle of the separation of powers under our Constitution. In this regard, the sponsors of the legislation have agreed to give full and fair consideration to constitutional concerns. Accordingly, with this understanding, I have approved S. 653.

Note: As enacted, S. 653 is Public Law 98-36, approved May 27.

Question-and-Answer Session With Reporters on Domestic and Foreign Policy Issues

May 27, 1983

Williamsburg Economic Summit

Q. Mr. President, I know there is no pre-arranged communique for this. You must have one or two things you'd like the summit to take note of. What's of particular interest to you and the United States that you'd like some sort of agreement on?

The President. Well, I think there are a number of things that we intend to talk about, based on the extensive consultations that have been going on for the past year with OECD and IEA, the International

Energy program, our talks in COCOM and GATT and things of that kind. But the issues—I think number one on the list will be the economy and how we can continue to get convergence so as to speed the recovery and to make it worldwide, because it is a worldwide recession. I think about problems with exchange rates—

Q. What kind of a statement would you like to see on the economy?

The President. Well, I would like to see it reflect the optimism that, from my personal

contact with some of these other heads of state in advance of the meeting, that I've heard them express, as well as ourselves—that we are on the way out. I think the United States probably is a little ahead of several of them on the recovery, but that's to be expected. That certainly can vary. I think a reasonably optimistic statement about our belief and our ability to handle this, to obtain a lasting recovery without any resort to the quick fixes of the past—

Q. What would that do—an optimistic statement? What would be the result of that?

The President. Well, I've always believed that there is a psychological factor in things of this kind. If you have people feeling pessimistic, you're going to find a holdback on investments. You're going to find people basing and businesses basing actions on mistrust of the future, rather than confidence.

Q. Mr. President, in taking this more free-form approach to the actual transactions down there, aren't you running a risk of missing an opportunity? I mean, for instance, on the energy front at a time when oil is not in short supply, couldn't the U.S. and its allies be looking for more concrete things to do in unison that would help head off future energy shortages insofar as import duties or other measures?

The President. Well, when you discuss the whole subject of energy—and, as I say, this is just one of a number of issues that I think there, that we've been discussing at the ministerial level over the year—I think, yes, there are a number of facets to it long-range. The matter of nuclear nonproliferation, to see that we're all together on this and conscious of the threat that this could be to the other things we're trying to achieve in world stability and peace.

And that's the idea of this, that you have some issues that we know our ministers meet on and have talked about. But to put them out there without some prestructured meeting that's going to follow a definite agenda, and, who knows, there may be some one of them that's got some particular questions that they think should be taken up by the group. It'll be that kind of a discussion.

Q. Well, do you have any?

The President. What?

Q. Do you have any of those, specifically?

The President. No, well, I would like to reemphasize the importance of nonproliferation.

Q. Mr. President, in preparing for the summit, I'm told that you went to extraordinary lengths to brief yourself on the issues and to become well versed in the complex questions of international economics. That being the case, I wonder whether, in this whole process of preparing for Williamsburg, you're thinking about any of these issues has undergone any change, any modification or new subtleties that you may not have had before?

The President. No, much of the extensive preparation is because, being the host, I'm going to be in charge. I'm going to be the, well, you could call it moderator or whatever. And this has been a case of talking to the people that have been in the various meetings, all the discussions that have been going on, so that I won't in the series of meetings overlook anything.

Import Tariffs

Q. Mr. President, you decided to put high tariffs on imported motorcycles in April. Does it mean that change of this administration's free trade policy?

*Mr. Gergen.*¹ The motorcycles.

The President. Oh, no, this was a thing that's particularly under American law. Where there is a particular industry in an emergency situation and that must have help in order to make itself able to be competitive, it is a temporary situation. And our law provides for that, and that's what that was all about.

Williamsburg Economic Summit

Q. Mr. President, do you see any major differences with the European problems that need to be solved before you can come through to a successful conclusion to the summit? Any major differences with the European allies that need to be resolved at the summit before you can have a successful conclusion?

The President. I don't foresee anything,

¹ David R. Gergen, Assistant to the President for Communications.

really, of a confrontational nature. I'm sure there are going to be differences of opinion and approaches and so forth. But I have been in communication with all of the participants—in fact, several exchanges between each one of us. I'm having individual meetings with each head of state as they arrive; one just later here this morning with Prime Minister Nakasone of Japan. Yesterday I met with Fanfani of Italy.

I will be meeting with the others individually. And I have to say, I would be very surprised if there is anything—

U.S. Technology Exports

Q. There is one particular point that some of the Europeans are very worried about, which is U.S. attempts to put further controls on the onward export of American technology to the Soviet Union. And a member of your administration the other day said very clearly that if the Europeans are not prepared to accept these American controls on their territory, that the U.S. will have to cut off the flow of American technology to Europe in the first place. And I wondered what was—

The President. Well, this is legislation that is presently before the Congress. And it is undergoing changes, and we've registered our feelings with it. And the only matter that could possibly be considered in what you've just asked about is nothing but our own provisions about national security. And I can't comment further, because, as I say, this is legislation that has undergone a number of changes so far and is still in that process, and—

Q. Now you wouldn't—

The President. I'm not going to get caught talking about an apple when it may turn out to be an orange.

Q. You wouldn't envisage a situation in which your national security would mean that you needed to cut off American technology exports of certain goods to Europe?

The President. I can't see this getting to anything of that point. I think early in the legislation there might have been some things that went further, and we registered our protest about them.

International Trade

Q. Mr. President, given the general con-

cerns about protectionism, would you consider, as has been suggested by the former French President Giscard d'Estaing that the summiteers sign a formal communique not to introduce in the next 2 years any new protectionist measure or any new trade restrictions? Sort of a formal document to that effect.

The President. I got distracted there. [Laughter] Can we take—

Q. Given the general concerns on protectionism, and you have stated that any bill that comes from Congress, for example, you will veto—but would you be prepared, given the realities of high unemployment here and the fact that next year is an election year, to sign a formal communique saying, all right, no document with any further restrictions or trade tariffs will be signed?

The President. Well, now this is something that I'm sure is going to be a matter of discussion, based on my own communication with all of them. I think, from these conversations, that all of us are going to be on the side of not only resisting protectionism but looking into where it presently exists, how much we can do to lessen it. In fact, I've found agreement among everyone that this is not the way to go, that the more we can go toward free trade the better off we'll be.

Q. Well, supplementary to that, given the interdependence of the Canadian and American economies, it's being discussed again in Canada, the question of totally open, free trade between the two countries, no restrictions of any kind on anything, what do you think of that idea?

The President. Well—

Q. Sort of a North American economic union.

The President. —you're asking me in advance of the discussion. I'm going to be very anxious to—or interested in all of us laying out our views on this, because, as I say, I think that basically all of us are agreed that we're opposed to protectionism.

Nuclear Arms Reduction

Q. Mr. President, are you going to discuss any political issue like INF deployment, and the Soviets are saying that they will deploy

INF in the Far East after accepting with the role from Europe. Are you going to negotiate on this issue with the Soviets on a global basis rather than on a regional basis?

The President. We would like, of course—the original proposal we made, that the ultimate answer to this would be an end to those kind of missiles on both sides. If we have to take an interim step, we also would hope that it would be global, because many of the missiles we're talking about are mobile, and just driving them over some place else doesn't mean they can't be moved back. This may have to, as an interim solution, result in restriction on numbers, as we ourselves have said in an interim step we're willing to go to.

But we're very conscious of the threat to Asia and of being simply moved that way, and, yes, this will be a consideration of ours.

Q. Mr. President, going back to economic—

Q. Can I follow up on this?

Q. Sure.

Q. Does this mean you won't insist, you may not insist on not allowing those mobile missiles to be moved towards Asia?

The President. Lou, you're—

Q. George [George Skelton, Los Angeles Times]. [Laughter]

The President. Oh, I'm sorry, George—[laughter]—I'm sorry, I know that. We've known each other too long. Why did I make that mistake?

Q. Two powerful papers.

The President. What?

Q. Two powerful papers.

The President. Yes. I know why I did. The first briefing that I had said that he was going to be in here.

You're getting into an area that is very difficult for answers at this time, because we're getting into the area of what do you negotiate and how do you negotiate. And I don't think you can do this, particularly when the people you're going to be negotiating with will have this information available to them. So, strategy of negotiations, what you're going to demand, what you're going to try to do, that I can't talk about.

Federal Budget Deficits

Q. Mr. President, on the economic issues, you are optimistic, and I think most of your

advisers are optimistic about this economy. And I think it's true that a lot of the people from the other allies are optimistic that there is a recovery going on. But I think they're very worried about budget deficits here.

Now, you seem to be saying that, yes, you want to get the deficits down, and, yes, it's Congress fault because they're not cutting spending, but a lot of people think that if you—and you seem to be saying that deficits are really tolerable if you have to get them down by increasing taxes. The allies really don't care which way you get at it, I don't think, but they just want them down. Are you prepared to take a certain amount of pressure on that, and do you think you're going to get it there?

The President. No, I don't—well, I'm quite sure they're going to want to discuss that and what our plans are. There is no way that you can cut enough in spending or increase taxes enough to eliminate the deficits. You can certainly help, particularly with the cutting in spending, because there's no question but that we have automatic built-in increases in our budgeting, which virtually have the budget out of control.

The only way, really, is the recovery of the economy, and this is why we've followed the course that we followed. To those who suggest you do it by taxes, they are suggesting the thing that would kill the recovery before it gets underway. You don't raise taxes and reduce the money in the private sector, as they would have us do, without setting back the recovery.

As for cutting, the budget proposal that we submitted to the Congress, and which in both Houses they refused to consider, actually would, while we will have a large deficit this year and next year, actually would have put us on a declining deficit with a projection down in the future where you could see a balanced budget coming up.

Q. But do you think that—I mean, that still goes back to the fact if you can't get the moderate Republicans, because they're afraid of the 1984 election retaliation, if you can't get them to cut the spending the way you want it to, aren't you on dead center? And what does that say to the allies, when

they know that the longevity of the recovery here is what's going to have to be in place to bring them along? I mean, you can't stay on dead center.

The President. Well, but the other thing is that since our plan is working, I don't care what the pessimists say and what the opponents say about it. Let somebody explain to me why interest rates have gone from 21½ down to 10, why inflation has been cut to less than a third of what it was, why industrial production is up, why housing is up, why automobile production is up, why retail spending is up, real income for the first time in several years is up, and an increased rate of savings. All of these things have taken place, and they didn't just come like locusts because the seasons changed; something must have been going—we must have been doing something that was right.

Q. I think what they're scared of is continuing that. Do you not believe that the deficits are going to cut that short if you don't have a plan in place this year to cut them short in the next 2 years?

The President. The plan is in place. First of all, our plan did ask for further cuts in spending—

Q. But I mean in place for—

The President. —and they did project out into the out-years a contingency tax increase that they could pass now based on certain, the economy meeting certain levels. In other words, the recovery would have had to be definitely established 2 years down the road from now, so that a tax increase would not be counterproductive, things of this kind. So, we were willing to meet on those two issues.

But the main thing about keeping the recovery going—and this was the last sentence I wanted to add to all those other things—is the recovered economy is the way to eliminate the deficits. If, for example, the growth rate in the economy should turn out to be 1 percent, just 1 percentage point higher—not 1 percent—1 percentage point higher than we've estimated, 5 years down the road that would mean \$100 billion less in deficit. If it were 2 percentage points higher, it would mean a surplus.

Q. I think what you're saying, if I can ask just one final question on that, is that the other heads of state seem to be saying, and

some of your own advisers seem to be saying, that you're going to have a slower growth rate if you don't get those deficits down; you're not going to get that extra boost from the higher growth rate.

The President. But we are doing, as I say, all three. We're preserving the tax policies that have brought about in large part the economic recovery. We're asking for further reductions in government spending. We do recognize the possibility of a tax increase, once this recovery is on a solid footing, and if it should turn out to be necessary. All of this is going to result in reduced deficits in the out-years on a downward pattern, with the deficits going down. And, at the same time, the economic recovery is going to make, then, the biggest contribution in eliminating the deficits simply by the improved and restored economy. And so far we're leading the world in the recovery that we've made.

Q. Mr. President, one economist for Data Resources pointed out in testimony to Congress yesterday that the structural deficit which you've mentioned several times lately is at some \$90 billion this year. Even calculating at full employment of 6 percent, that structural deficit will grow to \$180 billion in 1988, due primarily to increases in defense spending, to increases in entitlement outlays because of demographic factors, and because of the indexing that will go into place in 1985. In other words, this recovery, even if it were to get us to 6-percent full employment, does not look strong enough to get at that deficit reduction projection through those years.

The President. Well, that's one economist's voice on this. I challenge some of the points that he made, for example, defense spending as being a major factor. Already, on our own, from our original February 1981 estimate of the 5-year program of defense spending, on our own, by finding legitimate savings and so forth, we have reduced that once-projected \$116 billion increase over the projection of the Carter administration for the same period. We've reduced that down to about \$50 billion. We've actually made savings of about \$66 billion.

The other thing they don't stop to figure

is that defense cuts of the kind that some are advocating, you're only going to get 50 cents on the dollar, because you're going to lose another 50 cents, the other 50 cents, in increased unemployment in the industries that would be affected and the lack of tax revenues that brings about.

Now, as to the figure on the structural part of the deficit, that's the structural part of the budget that I've been talking about and the one where we've had the least success in getting cooperation from the Congress. They have been the most reluctant to make the changes, those built-in increases. As for indexing as a means of increasing revenue, then for this administration, that has been referred to as unfair, more than three-fourths of that increased revenue will come from the middle- and lower income earners in our society, and I don't think that's a way to bring about a recovery. The indexing will, the relief that will be provided to individuals, three-fourths of it will go to those middle- and lower income earners.

Q. One further question. Are you concerned that a failure to reach a budget resolution by this June, on the first one, and possibly a second resolution by fall, might unsettle the financial markets and build in further inflation premium in the interest rates?

The President. I don't think so, I really don't. I think they understand. They have seen out of one House come a budget proposal that would increase deficits tremendously. Out of the other they've seen something of an effort of compromise. If you envision the normal legislative process of trying to get together on those two, you come down to a budget resolution that does mean increase to the deficits, and yet it is not binding as far as the executive branch is concerned. And I think that the financial markets understand what I have said repeatedly, that I will use a veto on both appropriation bills and any proposals on tax bills to prevent this extravagant budget-busting or this wasteful spending to go on.

Q. But doesn't that mean, Mr. President, that effectively speaking, for the balance of this term, your first term, a lot of us are assuming, from your viewpoint, that you're not going to be able to make any kind of

breakthroughs on entitlements or any other kinds of major changes, so that for the next 18 months it's just going to be this guerrilla warfare over this veto and that veto, and that you will not be able to make a dent in the deficit?

The President. No, I believe we can make a dent in the deficits.

Q. With the veto process?

The President. I have had a letter from each House with pledges to me regarding the sustaining of some of my vetos. And I think that the same process that led us to a bipartisan agreement on how to salvage the social security program, the same bipartisanship that has brought about the victory with regard to the MX missile, I think there are enough people up there in both parties that want bipartisanship and that want to find a solution to these problems.

Williamsburg Economic Summit

Q. Could I get back to the Williamsburg summit? Mr. Mitterrand, the French President, has said recently that he thinks he might just as well stay at home. He's also said that if he doesn't get satisfaction, particularly from the United States, on an exchange rate's intervention level of the dollar in the future, he doesn't think any further summits are worthwhile. And I wondered what you think you'll be able to do to persuade him that he isn't wasting his time at Williamsburg?

The President. I think he'll find out he isn't wasting his time. He'll have every opportunity to express himself there, and I do know that, again, at the ministerial level on this very subject, they have been meeting at great length. There's every intention that they go forward on this problem of exchange rates. This came up at the Versailles meeting, and the result of the Versailles meeting was the increased level of consultation at ministerial levels on this subject as well as others. And I don't foresee a confrontation.

Q. What do you think you'll be able to say to him about the rate of the dollar, the level of the dollar, which really concerns him?

The President. Well, the level of the dollar really is because we have been so

successful in reducing inflation. And this is not an unmixed blessing for the United States, because we will probably have a 55 to 60 billion dollar trade imbalance this year because our dollar is so solid and so sound. It has made our export products expensive for the rest of the world.

Now, if they can have the same success that we've had with regard to inflation, there will be a better balance, and we'll all be better off.

Q. That brings me to ask, Mr. President, whether, in studying this whole thing, you've come to believe that these countries can, in fact, coordinate their national economic policies in some kind of rhythm that helps each other?

The President. Yes, I think it all comes with—and this we've talked about already—convergence. In other words, all of us recognizing that basically our economic structures are the same and going forward in the same programs of helping recovery, stimulating incentive to investment, to increased productivity, eliminating inflation, which then brings down the interest rates which are causing concern. This is the thing that we're aiming for, is this kind of convergence. And we will find that many of the exchange rate problems will disappear as we attain that.

Deputy Press Secretary Speakes. We'll have to stop there. I'm afraid we've had 30 minutes.

Q. Can we ask one question on Central America, which is on the summit leaders' minds, I'm sure.

The President. What was your last—

Q. I was going to ask, as far as the question on the exchange rates, isn't that going back again to the, you know, your advisers have been redefining what inflation is, and they're now saying it's not inflation—I mean, interest rates are not too high because you really have interest rates minus the expectation of inflation. The expectation of inflation is there because you've got the budget deficits. The interest rates are what keeps, you know, the money coming into this country from France and from other countries. Isn't that going back to the same collision over the deficits?

The President. No, and it is true that when you have a dollar as strong as ours

and these interest rates remaining there, yes, there's going to be a movement of currency. But the funny thing is they're not helping us pay our deficits, because right now the level of foreign ownership of our bonds is lower than it has been for many, many years. The money that's coming in from outside the country, the United States, is being invested in our economy, out there in the private sector. So, they're not, as some of them have suggested, they're not funding our deficits.

Mr. Gergen. George—last question.

Central America

Q. Yes, I just—this first killing of a U.S. military adviser in El Salvador seems to be sort of a milestone, symbolic if not otherwise. And with the Soviets increasing their direct intervention there with arms, are we reaching a point where we may have to consider increasing our involvement there, perhaps even thinking about committing combat troops?

The President. Well, so far, there's been no indication or no hint from any of those countries that this is what they want. I would like to have the cooperation of Congress in going forward with what our plan has been—three times as much economic aid in that area as military aid, but allowing us to proceed.

Q. If they wanted it, would you consider it?

The President. What?

Q. If they wanted more help would you consider it—combat troops even?

The President. As I say, the question hasn't arisen. But, again, George—see, I got it right—[laughter]—you're getting into an area that, if only our side were listening, you might be able to respond to that. But you're getting into an area where I just don't think we should be openly discussing.

Q. Don't you think you're going to get a lot of questions on that at Williamsburg, over dinners, if not for putting in a communique? They're worried about this becoming another Vietnam, aren't they? I mean, isn't that what they're worried about, too, as much as people here?

Q. They're also worried about it going Communist, I would think.

The President. Yes, there must be the worry of that in our hemisphere here and the stepped-up aid. There has been as much aid by the Soviet Union, as much shipped into Nicaragua in these first 5 months as there was in the entire last year.

And that has to be of concern to all of us.
Q. Thank you, Mr. President.

Note: The exchange began at 10:06 a.m. in the Oval Office at the White House.

Remarks of the President and Prime Minister Yasuhiro Nakasone of Japan Following Their Meetings May 27, 1983

The President. Well, it's been a great pleasure for me to renew the friendship that Prime Minister Nakasone and I began in January. And since today is the Prime Minister's birthday, we were especially honored that he could lunch with us here at the White House. And, Mr. Prime Minister, let me just once again wish you a very happy birthday.

The Prime Minister and I had wide-ranging talks. We agreed that cooperation between our two countries continues to be essential to promoting our goals of international peace and democratic values in government.

In addition to bilateral matters, we discussed a number of global issues in preparation for the Williamsburg summit. We're in complete harmony on the central questions, especially concerning the necessity of the industrial democracies to work together to ensure that economic recovery is strong and lasting.

In our common endeavors, Japan and the United States are fortunate to be able to draw on durable and resilient ties extending over 30 years. Today, we've renewed those ties, and I'm sure that the Prime Minister agrees that together we will succeed.

And again, welcome, Mr. Prime Minister.

The Prime Minister. Thank you, Mr. President. First of all, I would like to thank you, Mr. President, for your invitation and the most kind hospitality extended to me and my colleagues. I am very happy to be back in Washington to renew my personal friendship with the President and many other good friends in this country.

The President and I have just completed

a very productive meeting in which we have fully exchanged views on the issues of our common concern. This meeting was a part of the intensive consultations taking place between the President and myself since I became Prime Minister of Japan last November.

We have reviewed with great satisfaction our overall bilateral relationship, which has made further progress since my last visit here in January. We reaffirmed our conviction that any issue between our two countries can be solved through close and reasonable consultations between us, since Japan-U.S. partnership has its strong basis on shared values and interests. We have also agreed that we will continue to expand our cooperative relationship in such areas as foreign aid and the fight against cancer.

Further, the President and I have discussed East-West relations, the recent development of situations in Asia and the Middle East. We renewed our determination to keep working closely together to contribute to the world peace and prosperity.

We also agreed that the Williamsburg summit, which is to start tomorrow, will bear a very important role to restore hope and confidence to the world economy, when some encouraging signs are beginning to appear in some parts of the major economies, including that of the United States.

I have assured the President that Japan will wholly cooperate with the United States so that Williamsburg will be called a "town of hope" for the world.

My visit to the White House today has been one of the most memorable occasions

in my life, for today happens to be my 65th birthday, and the President has graciously celebrated my birthday at today's luncheon. Once again, I thank you very much, Mr. President, and all my good friends, for remembering me in such a heartwarming manner.

I look forward to attending the summit meeting at Williamsburg and to the entire

stay in this country.

Thank you.

Note: The President spoke at 1:32 p.m. to reporters assembled on the South Lawn of the White House.

Earlier, the President and the Prime Minister met in the Oval Office and then held a working luncheon, together with U.S. and Japanese officials, in the Residence.

Nomination of Langhorne A. Motley To Be an Assistant Secretary of State

May 27, 1983

The President today announced his intention to nominate Langhorne A. Motley to be an Assistant Secretary of State (Inter-American Affairs). He would succeed Thomas Enders, who will shortly be nominated for another major diplomatic post.

Since 1981 Mr. Motley has served as Ambassador to Brazil. Previously he was president of Valeria, Inc., of Anchorage, Alaska; executive vice president of Citizens for the Management of Alaska Lands, Inc., in 1977-1980; commissioner of commerce and economic development of the State of Alaska at Juneau in 1975-1977; and in 1970-1974 he was in real estate development in An-

chorage, Alaska, as vice president of Area Realtors, Inc., president of Crescent Realty, Inc., and vice president of RODMAR, Inc.

Mr. Motley served in the United States Air Force in 1960-1970, successively as launch authentication officer (England), deputy combat crew commander, aide to the Commander of the Air War College, and aide and executive assistant to Commander in Chief (Alaska Command).

He graduated from The Citadel (B.A., 1960). He is married, has two children, and resides in Anchorage, Alaska. He was born June 5, 1938, in Rio de Janeiro, Brazil.

Remarks on Arrival at the Williamsburg Economic Summit Conference in Virginia

May 27, 1983

It's a great pleasure to come to this picturesque site, the cradle of so much American history, and I look forward tomorrow to welcoming the leaders of the other industrialized democracies to the Williamsburg economic conference.

Our main purpose is twofold—to discuss how we can broaden the economic recovery that's now underway and to reinforce the enduring values in which our close relationships with the other summit nations rest.

My summit partners and I approach this meeting, the ninth in as many years, in a spirit of realistic optimism. We take heart in the evidence that the United States and others are now recovering from the most serious global recession since World War II. Recovery is what this summit is all about. We're convinced that the growing convergence of domestic economic policies among the countries to be represented here will help sustain recovery and expand it to the rest of the world. With inflation increasing-

ly under control, we can turn our collective attention to solving such problems as protectionism and unemployment. At the same time, we can lay the basis for growth among the less developed countries in whose welfare and prosperity we all have an important stake.

Our work will not, of course, begin or end here in Williamsburg. We don't underestimate the nature or the magnitude of the problems that confront us or the difficulty such problems cause among the less fortunate sectors of our populations. With 22 million people unemployed in the summit countries, we must not flag in our efforts to ensure a recovery that's durable, noninflationary, and rooted in the democratic values that we, as free peoples, cherish.

These efforts are part of a long-term process, addressing the most pressing concerns of what we've come to call "the successor generation"—our children and our children's children. Our work here in Williamsburg is, therefore, not only for the present; in a very real sense, it is for posterity.

I'm confident in the ultimate success of our task. The leaders who will join me here tomorrow have prepared extensively for our summit. I anticipate the closest and most candid discussions with them on what we can do together to help the people in our countries and throughout the world.

And now, as always in the long history of democratic tradition, we confront the challenges before us in a spirit of hope and confidence—a spirit that flows most abundantly from free peoples living under freely elected governments.

Thank you.

Note: The President spoke at 3:32 p.m. in Providence Hall.

Earlier in the afternoon, the President left the White House and traveled to Langley Air Force Base, Va. He was met by Governor Charles S. Robb, Senator John W. Warner, and Representatives G. William Whitehurst and Herbert H. Bateman of Virginia, Gen. W. L. Creech, Commander, Tactical Air Command, and Col. Henry Viccellio, Jr., Commander, 1st Tactical Fighter Wing. Following a ceremony at the Air Force base, the President went by Marine One to Williamsburg.

Upon arrival at Providence Hall, the President was greeted by Robert Walker, mayor of Williamsburg, Carlisle Humelsine, chairman of the board, and Charles Longsworth, president, Colonial Williamsburg Foundation, and Dr. Thomas A. Graves, Jr., president of the College of William and Mary. Following his arrival remarks, the President met with members of his staff. He remained overnight at Providence Hall, his residence for the duration of the summit.

Statement by Deputy Press Secretary Speakes on the Situation in Lebanon

May 28, 1983

The Syrian buildup in Lebanon and along the border can only lead to increased tension in an already volatile area and could threaten the uneasy peace that now prevails in Lebanon.

We call on all those who are contributing to the tensions to exercise the utmost restraint so that the risk of conflict can be reduced.

Renewed armed conflict serves no one's interest. And the interest of all would best

be served by a withdrawal of all forces from Lebanon so that the country can reassert sovereignty throughout its territory.

We understand that the Israelis who had previously been drawing down troop levels have begun to restore those levels in direct response to Syrian attacks on Israeli aircraft and a substantial buildup of Syrian troops in the Bekaa [Valley] and along the border.

We greatly regret that the uneasy peace that has prevailed in Lebanon is once again

threatened. We urge restraint and say that these tensions can only further complicate diplomatic efforts that are taking place in the region.

Note: Deputy Press Secretary Larry M.

Speakes read the statement during his daily briefing for reporters, which began at 11:13 a.m. in Room 105 of William and Mary Hall at the College of William and Mary in Williamsburg, Va.

Radio Address to the Nation on the Williamsburg Economic Summit Conference in Virginia

May 28, 1983

My fellow Americans:

Over this Memorial Day weekend, while most of us turn our thoughts to picnics and family outings, an annual summit meeting is taking place in Williamsburg, Virginia, one that's important to our future. It takes place at an appropriate time. A bipartisan majority in the Congress has just demonstrated its support for the recommendations of the Scowcroft commission to modernize our strategic forces and carry us forward on the road to genuine arms reduction.

This is a reassuring signal to our friends and allies meeting in Williamsburg. Here in this old colonial capital, the cradle of so much early American history, the leaders of the major free industrial nations are meeting to discuss the problems, the challenges, and the opportunities that our countries and our peoples share.

Since the last summit in France a year ago, we've made important progress. Today, America is leading the world into an economic recovery that's already being felt in many of the other countries represented here.

Another encouraging development is that more so than any other time in the recent past, the economic policies of the individual summit countries are converging around low inflation and improved incentives for investment, a good sign for a sustained worldwide recovery.

We still have our differences. Friends always will. But they're fewer and less critical today than in a long time. I think most of us are agreed on not only where things stand today but what we must do in the weeks and months ahead. All of us seek the

same goal—a healthy, sustained economic recovery that will revive troubled economies in North America, Europe, and the rest of the world. That means more and better jobs. And the way to achieve this is to ensure that the new recovery does not rekindle inflation. We're doing this. And we're seeking trade between our countries that is open and free of protectionist restraints, so that both industrial and developing nations can profit from an expanding, rather than a contracting market.

We're also encouraging responsible domestic economic policies in all of our countries which will make for greater productivity and more stable exchange rates.

Here at home, our economy is already strongly on the mend. The rising tide of recovery is also beginning to reach to many of our friends and allies. But to keep it going, and to extend its benefits to others still in the grip of the worldwide recession, we must all stick to anti-inflationary, high-productivity policies that adapt new technology, retrain workers, and increase efficiency. The worst thing that could happen now, and one that could stall or at least slow the recovery that's currently underway, would be a political resort to "quick fixes" that could trigger a new round of worldwide inflation and rising interest rates.

Now, I know that all of this sounds like economic shoptalk—a little remote, perhaps, from the everyday concerns of the average American. But while this is an economic summit, the topics it is considering have an impact on almost every phase of our lives—jobs, low inflation, and the oppor-

tunity for a better future for ourselves and our families. For when you get right down to it, freedom is at the base of the enormous productivity of the industrial West, a freedom that has spawned more progress, more individual rights, and more security and opportunity than are enjoyed by any other people living under any other system.

And it's our shared belief in freedom that is the strongest bond uniting each of the seven nations meeting here in Williamsburg this weekend. Each of our nations recognizes the rights and dignity of its citizens. We all believe, in the words of our Founding Fathers, "that all men are created equal, that they are endowed by their Creator with certain unalienable rights." That's a simple enough phrase, but it represents an incredible leap forward from the tyranny and injustice that still haunts too many other parts of the globe.

And because we, the nations meeting at the summit, are united in our love of personal and economic freedom, our common commitment to maintain peace and defend liberty is that much stronger. There's been a lot of speculation about what will come out of this weekend's summit. I'll leave the detailed analysis to the Monday morning quarterbacks, though for this one they'll

have to wait till Tuesday morning. But I'm confident that we and our friends and allies will leave this meeting more, not less, united, that we'll leave it with fewer, not more, differences, and that while it would have been a good session, much will remain to be done.

For the issues we address here in this beautiful and historic setting in the spring of 1983 will still be with us for many years to come. The Williamsburg summit is not the end of our work, but it marks the beginning of a new, more stable period of the free developed world learning to work together, devising long-term strategies to meet the problems we face, and handing over a better world to the successor generation, the young people born in the postwar era who must carry and protect the torch of freedom as America approaches the 21st century.

Until next week, thanks for listening, and God bless you.

Note: The President taped his radio address in the Map Room at the White House on Thursday, May 26, for broadcast on May 28.

The transcript of the address was released by the Office of the Press Secretary on May 28.

Statement on Developing Country Issues To Be Discussed at the Williamsburg Economic Summit Conference in Virginia *May 28, 1983*

As host for the summit meeting of industrialized nations at Williamsburg, I have been pleased to receive several communications from leaders of the developing nations, including Prime Minister Indira Gandhi of India and President Belisario Betancur of Colombia, who wrote on behalf of other countries. They have expressed their concern about serious economic problems in developing countries and their hope that these problems will be discussed at this summit.

We meet here in Williamsburg in a spirit of common purpose with all free nations of

the world and a common dedication to achieve sustained noninflationary growth and an improved international trading and financial system. We are mindful, in particular, of the circumstances and concerns of the poorest countries who need our cooperation most.

The concerns of the developing countries have been an integral part of the preparations for this meeting, and I look forward to a full discussion with my summit colleagues of both the problems and the opportunities that arise from the close interrelationships between the economies of the developing and industrialized nations.

Remarks at a Reception and Dinner for the Williamsburg Economic Summit Conference Delegations at Carter's Grove Plantation in Virginia

May 28, 1983

It's bad enough to have to interrupt a very lovely, festive evening by making a few formal remarks, but it is even worse when I find that by coming up here I have had to shut off the music of the New Orleans Preservation Jazz Hall Band that was flown up here from New Orleans for the occasion—a very historic group. But I would like to extend a very warm welcome to all of you to this latest of our series of economic summit consultations begun so constructively 8 years ago at Rambouillet.

I know that each of these meetings is the result of a great deal of preparation by everyone involved. My thanks, and I'm sure that I speak for each of the delegation here, our thanks go to all of you for having done such a fine job of laying the ground work for this occasion. We give the Sherpas a needle every now and then about not overpreparing these sessions, but we do that just to make sure that they don't take our jobs from us. *[Laughter]*

It's encouraging to note that in the year since we last met in this forum, the underlying economic situation of the industrialized countries has improved markedly. Although many problems remain, we have made steady efforts to restore conditions for growth in our national economies and international recovery is now underway. Against this background, we can all look forward to a most productive session.

Let me review some of the basic themes and directions for the summit here at Williamsburg. Rather than concentrating on a single issue, this summit will take an integrated view of the domestic and international aspects of the world economy. Broadly speaking, we are dedicated to achieving noninflationary, sustained growth and continued improvements in the international trading and financial system.

There are in our view several basic relationships in the world economy upon which we should focus—the relationship between growth and an open, international economy; between domestic economic policies and exchange rate stability; between finance and trade; between enhanced access to markets and long-term management of the international debt problem; between investment, public and private, and economic growth in the developing world; and between economic strength and security. These are all matters of deep concern to our group of countries.

We look at the world economy against a background of many common interests and shared values. These are invaluable ties which I'm sure this gathering at Williamsburg will serve to strengthen and reinforce. And in this spirit I, like you, am looking forward to the discussions of the next few days with enthusiasm and confidence.

And, again, I thank you, and we can get back to having some fine music. Thank you.

Note: The President spoke at 8:30 p.m. He hosted the reception and dinner for the heads and members of the summit delegations. Following the reception, which was held on the terrace overlooking colonial gardens on the banks of the James River, the President escorted his guests into the mansion, where dinner was served in three different rooms to the heads of delegations, the foreign ministers, and the finance ministers.

At the dinner, the President and the other heads of delegations discussed security issues. Prior to the President's departure from Carter's Grove, he and Secretary of State George P. Shultz briefed the foreign ministers on the discussions. The President then returned to Providence Hall.

Williamsburg Economic Summit Conference Statement on Security Issues

May 29, 1983

1. As leaders of our seven countries, it is our first duty to defend the freedom and justice on which our democracies are based. To this end, we shall maintain sufficient military strength to deter any attack, to counter any threat, and to ensure the peace. Our arms will never be used except in response to aggression.

2. We wish to achieve lower levels of arms through serious arms control negotiations. With this statement, we reaffirm our dedication to the search for peace and meaningful arms reductions. We are ready to work with the Soviet Union to this purpose and call upon the Soviet Union to work with us.

3. Effective arms control agreements must be based on the principle of equality and must be verifiable. Proposals have been put forward from the Western side to achieve positive results in various international negotiations: on strategic weapons (START), on intermediate-range nuclear missiles (INF), on chemical weapons, on reduction of forces in Central Europe (MBFR), and a Conference on Disarmament in Europe (CDE).

4. We believe that we must continue to pursue these negotiations with impetus and urgency. In the area of INF, in particular, we call upon the Soviet Union to contribute constructively to the success of the negotiations. Attempts to divide the West by pro-

posing inclusion of the deterrent forces of third countries, such as those of France and the United Kingdom, will fail. Consideration of these systems has no place in the INF negotiations.

5. Our nations express the strong wish that a balanced INF agreement be reached shortly. Should this occur, the negotiations will determine the level of deployment. It is well known that should this not occur, the countries concerned will proceed with the planned deployment of the U.S. systems in Europe at the end of 1983.

6. Our nations are united in efforts for arms reductions and will continue to carry out thorough and intensive consultations. The security of our countries is indivisible and must be approached on a global basis. Attempts to avoid serious negotiation by seeking to influence public opinion in our countries will fail.

7. We commit ourselves to devote our full political resources to reducing the threat of war. We have a vision of a world in which the shadow of war has been lifted from all mankind, and we are determined to pursue that vision.

Note: On behalf of the summit participants, Secretary of State George P. Shultz read the statement at 6:55 p.m. to reporters assembled in the International Press Briefing Room in William and Mary Hall at the College of William and Mary.

Remarks on Reading the Williamsburg Economic Summit Conference Declaration on Economic Recovery

May 30, 1983

It is my duty and pleasure to read the Williamsburg Declaration on Economic Recovery.

[The text of the declaration, together with the annex, is printed as the next item. Following the reading of the declaration, the

President concluded his remarks as follows:]

It has been inspiring to meet with the leaders of the seven major industrial nations in this beautifully restored village of the

past. Here we have tried to shape the positive and common approach to our economic future. These democracies feel special responses for—or responsible for the world economy and for the democratic values we all share. And so, we came together determined to do something about some of the world's toughest problems.

Our meeting has shown a spirit of confidence, optimism, and certainty—confidence that recovery is underway, optimism that it will be durable, and certainty that economic policy and security ties among us will be strengthened in the future.

The United States has been privileged to host this meeting from which a message of hope can be sent to the people of the world and to future generations. Together the summit partners are facing today's enormous challenges head on and not settling for quick fixes. We are the guardians of fundamental democratic values, the values that have always united us.

We will only be satisfied when we have restored durable economic growth that offers our people an opportunity for the better future that they deserve.

The meeting will conclude with tonight's dinner, and may I just add a heartfelt thank you to the wonderful people of Williams-

burg who have been so warm in their greeting to us, so gracious and so kind, and that have made this, in addition to a hard-working session, a distinct pleasure. And I think I speak for all of us in saying this.

Thank you all.

Note: The President read the statement on behalf of the summit participants at 3 p.m. in the International Press Briefing Room in William and Mary Hall at the College of William and Mary.

The 1983 Summit of Industrialized Nations, the ninth economic summit conference, was hosted by the United States. In addition to the President, the summit was attended by President François Mitterrand of France, Prime Minister Margaret Thatcher of the United Kingdom, Prime Minister Pierre Elliott Trudeau of Canada, Chancellor Helmut Kohl of the Federal Republic of Germany, Prime Minister Yasuhiro Nakasone of Japan, Prime Minister Amintore Fanfani of Italy, and Gaston Thorn, President of the Commission of the European Communities. The leaders were accompanied by their foreign and finance ministers. Secretary of State George P. Shultz and Secretary of the Treasury Donald T. Regan accompanied the President.

Williamsburg Economic Summit Conference Declaration on Economic Recovery

May 30, 1983

Our nations are united in their dedication to democracy, individual freedom, creativity, moral purpose, human dignity, and personal and cultural development. It is to preserve, sustain, and extend these shared values that our prosperity is important.

The recession has put our societies through a severe test, but they have proved resilient. Significant success has been achieved in reducing inflation and interest rates; there have been improvements in productivity; and we now clearly see signs of recovery.

Nevertheless, the industrialized democracies continue to face the challenge of ensur-

ing that the recovery materializes and endures, in order to reverse a decade of cumulative inflation and reduce unemployment. We must all focus on achieving and maintaining low inflation, and reducing interest rates from their present too-high levels. We renew our commitment to reduce structural budget deficits, in particular, by limiting the growth of expenditures.

We recognize that we must act together and that we must pursue a balanced set of policies that take into account and exploit relationships between growth, trade, and finance, in order that recovery may spread to all countries, developed and developing

alike.

In pursuance of these objectives, we have agreed as follows:

(1) Our governments will pursue appropriate monetary and budgetary policies that will be conducive to low inflation, reduced interest rates, higher productive investment and greater employment opportunities, particularly for the young.

(2) The consultation process initiated at Versailles will be enhanced to promote convergence of economic performance in our economies and greater stability of exchange rates, on the lines indicated in an annex to this Declaration. We agree to pursue closer consultations on policies affecting exchange markets and on market conditions. While retaining our freedom to operate independently, we are willing to undertake coordinated intervention in exchange markets in instances where it is agreed that such intervention would be helpful.

(3) We commit ourselves to halt protectionism, and as recovery proceeds to reverse it by dismantling trade barriers. We intend to consult within appropriate existing fora on ways to implement and monitor this commitment. We shall give impetus to resolving current trade problems. We will actively pursue the current work programs in the General Agreement on Tariffs and Trade (GATT) and Organization for Economic Cooperation and Development, including trade in services and in high technology products. We should work to achieve further trade liberalization negotiations in the GATT, with particular emphasis on expanding trade with and among developing countries. We have agreed to continue consultations on proposals for a new negotiating round in the GATT.

(4) We view with concern the international financial situation, and especially the debt burdens of many developing nations. We agree to a strategy based on: effective adjustment and development policies by debtor nations; adequate private and official financing; more open markets; and worldwide economic recovery. We will seek early ratification of the increases in resources for the International Monetary Fund and the General Arrangements to Borrow. We encourage closer cooperation and timely sharing of information among countries and the

international institutions, in particular between the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD), and the GATT.

(5) We have invited Ministers of Finance, in consultation with the Managing Director of the IMF, to define the conditions for improving the international monetary system and to consider the part which might, in due course, be played in this process by a high-level international monetary conference.

(6) The weight of the recession has fallen very heavily on developing countries and we are deeply concerned about their recovery. Restoring sound economic growth while keeping our markets open is crucial. Special attention will be given to the flow of resources, in particular official development assistance, to poorer countries, and for food and energy production, both bilaterally and through appropriate international institutions. We reaffirm our commitments to provide agreed funding levels for the International Development Association. We welcome the openness to dialogue which the developing countries evinced at the recent conferences of the Non-Aligned Movement in New Delhi and the Group of 77 in Buenos Aires, and we share their commitment to engage with understanding and co-operation in the forthcoming meeting of the United Nations Conference on Trade and Development in Belgrade.

(7) We are agreed upon the need to encourage both the development of advanced technology and the public acceptance of its role in promoting growth, employment and trade. We have noted with approval the report of the Working Group on Technology, Growth and Employment which was set up at Versailles last year, and commend the progress made in the 18 cooperative projects discussed in that report. We will follow the implementation and coordination of work on these projects, and look forward to receiving a further report at our next meeting.

(8) We all share the view that more predictability and less volatility in oil prices would be helpful to world economic prospects. We agree that the fall in oil prices in

no way diminishes the importance and urgency of efforts to conserve energy, to develop economic alternative energy sources, to maintain and, where possible, improve contacts between oil-exporting and importing countries, and to encourage the growth of indigenous energy production in developing countries which at present lack it.

(9) East-West economic relations should be compatible with our security interests. We take note with approval of the work of the multilateral organizations which have in recent months analyzed and drawn conclusions regarding the key aspects of East-West economic relations. We encourage continuing work by these organizations, as appropriate.

(10) We have agreed to strengthen cooperation in protection of the environment, in better use of natural resources, and in health research.

Our discussions here at Williamsburg give us new confidence in the prospects for a recovery. We have strengthened our resolve to deal cooperatively with continuing problems so as to promote a sound and sustainable recovery, bringing new jobs and a better life for the people of our own countries and of the world.

We have agreed to meet again next year, and have accepted the British Prime Minister's invitation to meet in the United Kingdom.

ANNEX

Strengthening Economic Cooperation for Growth and Stability

I. We have examined in the light of our experience the procedures outlined in the undertakings agreed at Versailles last year which seek to ensure greater monetary stability in the interest of balanced growth and progress of the world economy.

II. We reaffirm the objectives of achieving non-inflationary growth of income and employment, and promoting exchange market stability through policies designed to bring about greater convergence of economic performance in this direction.

III. We are reinforcing our multilateral cooperation with the International Monetary Fund in its surveillance activities, according to the procedures agreed at Versailles, through the following approach:

A. We are focusing on near-term policy

actions leading to convergence of economic conditions in the medium term. The overall medium-term perspective remains essential, both to ensure that short-term policy innovations do not lead to divergence and to reassure business and financial markets.

B. In accordance with the agreement reached at Versailles, we are focusing our attention on issues in the monetary and financial fields including interaction with policies in other areas. We shall take fully into account the international implications of our own policy decisions. Policies and objectives that will be kept under review include:

(1) Monetary Policy. Disciplined non-inflationary growth of monetary aggregates, and appropriate interest rates, to avoid subsequent resurgence of inflation and rebound in interest rates, thus allowing room for sustainable growth.

(2) Fiscal Policy. We will aim, preferably through discipline over government expenditures, to reduce structural budget deficits and bear in mind the consequences of fiscal policy for interest rates and growth.

(3) Exchange Rate Policy. We will improve consultations, policy convergence and international cooperation to help stabilize exchange markets, bearing in mind our conclusions on the Exchange Market Intervention Study.

(4) Policies Toward Productivity and Employment. While relying on market signals as a guide to efficient economic decisions, we will take measures to improve training and mobility of our labor forces, with particular concern for the problems of youth unemployment, and promote continued structural adjustment, especially by:

—Enhancing flexibility and openness of economies and financial markets.

—Encouraging research and development as well as profitability and productive investment.

—Continued efforts in each country, and improved international cooperation, where appropriate, on structural adjustment measures (e.g., regional, sectoral, energy policies).

IV. We shall continue to assess together regularly in this framework the progress we are making, consider any corrective action

which may be necessary from time-to-time, and react promptly to significant changes.

the text of the declaration provided by the Office of the 1983 Summit of Industrialized Nations in Williamsburg, Va.

Note: As printed above, this item follows

Toast at a Dinner for Williamsburg Economic Summit Conference Participants at the Abby Aldrich Rockefeller Folk Art Center in Virginia

May 30, 1983

Well, it's a pleasure to see all of you and to tell you that our discussions over the last few days have been as fruitful and as useful and enjoyable as we had all hoped.

As I noted at the outset—that our countries were linked by a multitude of mutual interests and by a shared commitment to freedom and democracy. Williamsburg, as a site, was the site of the first representative assembly and the second university in the colonies which then became the United States. It has been a particularly appropriate place in which to rededicate ourselves to these principles.

The preservation of the values we share must strengthen our domestic economies, seek advantages of vigorous international trade, and deal intelligently with the problems of crises in the developing world. And while doing this, we must also give appropriate attention to our security interests. These objectives are complex, sometimes seemingly contradictory and always difficult to achieve.

Our individual perceptions about particular issues may sometimes differ, but gather-

ings such as this give us an opportunity to work together on a regular basis to address the problems we share. This meeting has, in my judgment, achieved that objective. It has left me more confident than ever of the basic health of our free way of life and our ability and cooperation to lay a sound foundation for our children and our children's children.

In that spirit, I want to toast all of you, who in the last few days have participated in this chapter of a vital and unceasing effort. And so, therefore, I think we can drink to the causes that have brought us here, to the success that we've had, and to our dream of continuing on this road as far as we all can see.

And for some of us here, there is great gratitude to many of you for all that you have done to contribute to these meetings.

Note: The President spoke at 9:45 p.m. in a tent set up on the grounds of the folk art center. The President and Mrs. Reagan hosted the dinner for heads of delegations and guests.

Interview With American and Foreign Journalists at the Williamsburg Economic Summit Conference in Virginia

May 31, 1983

Williamsburg Economic Summit

Q. Mr. President, you had said before this summit that you wanted it structured in this way because you'd have a frank discussion with other leaders.

The President. Yeah.

Q. Did you learn anything from that? Did your views change in any way because of what was said to you here in that format?

The President. Well, actually, not in any

major way, because you would be amazed at how much our thinking was alike on so many of the things discussed.

But in connection with the question also on structure, the difference was that I've been—the summits that I've been to before, each head of state would make a statement and that would be it then. Whether they agreed, disagreed or not, they had made their statement. Well, the difference was, here, you'd open up a subject—let us say that the subject had to do with trade, we'd open up the subject, and everyone could express their views and so forth. And then we kept going and discussing to see what we could all agree on as a consensus of what we would do with this in the area of this subject that would further benefit not only us but the world.

Q. Do you feel that you persuaded anybody to some view that they didn't have before they came here?

The President. Not really. The whole idea of convergence, that the answer is that you can't have one nation recover without the others, that this is a world recession, that what we do affects each other, and that, therefore, we must have more surveillance, more constant communication, particularly at our ministerial level, on the progress that we're all making. And this included the developing countries also, that they cannot be out here on the other side of a door, that their good economic situation, their prosperity is vital to us as ours is to them. And, as I say, there was great agreement on this.

But what then did happen was you had the thoughts of others that contributed to come into a consensus as to how we were going to go about this, what we were going to do. And remember that the idea of the subjects wasn't just chaos of anyone coming with what they thought. A lot of this was based on the fact that at the ministerial level, OECD [Organization for Economic Cooperation and Development], the NATO summit, in the discussions on the international monetary funds and all, we were well prepared in advance of knowing what was on the minds of each other.

Q. Mr. President, if I may, this was a summit designed so that those of you who met privately could, on several occasions, could have a frank exchange, candid ex-

change of views—candid, personal. And yet you're saying that there were diverse views in here. And yet you're saying in spite of all of that, nobody's views changed very much—

The President. Well, in that as I interpreted the question there, was there any sudden situation where you had just diametrically opposed ideas, say, a way to bring about prosperity. Well, no, everyone recognized that—for example, in our own problems of deficits and interest rates and the bad effect that they have had on the economy—there was general agreement on all of these things. And then the thing was how, for example—well, it's in that statement that came out, differing than some conferences where the statement was written in advance and before you'd had the discussions. That statement was the result of the discussions.

Q. Let me give you a for instance. You said in your personal addendum to the statement that the world now recognizes there should be no quick fixes which as you mentioned—

The President. Yes.

Q. —in the United States. But I know you were told by some of the leaders in there that despite the best expected performance of the economy, unemployment is going to remain high for some time to come; recession may even deepen in some countries. And there are people who are concerned about the political and social upheaval that this can cause and, therefore, might favor some kind of quick fix, at least to avert the kind of crises the United States faces. Did that discussion not temper your views about at least some quick fixes some way?

The President. No, as a matter of fact, one of the participants referred to quick fixes as "quack medicine" and that we've proven by experience they don't work. They only worsen the situation. So—and there is great willingness on the part of all of them, that they realized that they had to face up to some social changes in order to get control of excessive spending. And, as I say, the document attests that—the statement to the outcome.

We didn't leave any subject up in the air

and say, well, you know, "We're differing on this; let's move on to something else." No. We stayed until we'd worked out what we all felt was a way to go on the particular subject. And there was no vote taken. There were no winners or losers. There wasn't any case in which five said, well—to two, "You're out-voted and this is what we're going to say." No. Before we settled on it, all seven were in agreement.

Q. Mr. President, your administration wasn't—it's well known that your administration wasn't enthusiastic about an international conference—monetary conference. Did you modify your views during the summit?

The President. The funny thing was in the conversations, it isn't so much a modifying of views as it is a learning of what the views really were. For example, the principal proponent of such a conference opened by making it plain that he had not meant in any way that we go back 40 years and follow a pattern of something that was adopted 40 years ago—the world has changed—but that it was something to be looked at. Well, we ourselves had come with the idea that just as out of the Versailles summit—and while many people have been quick to say that nothing good came out of that, a lot did. We have had since the Versailles summit a relationship at the ministerial level on several subjects that has been ongoing and that has made great progress with regard to trade, the East-West situation, all of these things.

And so, the idea that these same ministers will now, as they go forward in this surveillance—mutual surveillance to make sure that we're not getting off the track in some country or other that might set back for all of us the recovery, that this they will look at very closely and see if such a conference would be a help in what we're trying to do. Now, it's going to depend on what they all decide and what they recommend.

Q. Mr. President, the dollar is reaching record highs against other currencies. Do you think that is a positive development for world economy and for the American recovery?

The President. There's no question about the value of the dollar, that it results from our success with reducing inflation. And, of

course, we want to go on reducing inflation. But we also want to see, as the others progress, that this levels off, because, remember, the high dollar is not an unmitigated blessing for us. We will have a trade deficit this year of probably \$60 billion simply because the high value of the dollar has priced us out of many foreign markets.

We'd like to see a better balance. But we believe the better balance will come through convergence. And so, here again, out of this has come the decision that we're going to monitor each other closely on how we're progressing on this.

Q. May I go to the political side a moment, Mr. President?

The President. Well, could I—wait just one second, because I interrupted him a moment ago. And, then, we'll take yours.

Central America

Q. Mr. President, you indicated in an interview last week that the Soviets were stepping up their aid to Nicaragua. I wondered whether you see the possibility of a superpower confrontation developing in Central America, and whether increased Soviet aid requires an increased response from the United States.

Deputy Press Secretary Speakes. It's a little off the summit, but if you want to answer it, Mr. President—

The President. Well, it is a little off the summit. I did, in one session, simply explain as well as I could the entire situation in Central America. And many of them admitted that they had not been clear on some of what was going on.

There has been a step-up in Soviet activity as to bringing in supplies. But we still believe that our plan of economic aid and such military assistance as we think is needed there in the line of supplies—training, mainly—should go forward. But again, call attention to the fact that our economic aid is 3 to 1 in value over the military aid. We want, indeed, a political settlement if it can be reached.

Q. Did you ask your allies for help on that question—I mean, did you ask them to—I mean—

The President. No. I just—on this one, this was just one where I gave them a report

and—

Q. Mr. President—

Mr. Speakes. One second. The weather, Mr. President, gives us about 5 more minutes here. We have to go. So, let's take these three over here—

East-West Relations

Q. Mr. President, from a very general point of view, now that you have heard the opinion of all the other leaders at the same time, what is your feeling on the future of relations with Russia? Is it going to be an ever-increasing tension and hostility, or there will be a point where there will be a thaw? I'm not asking about your hopes, but about your gut feeling of what actually is going to happen.

The President. If there is an increase of tension, it will be the Soviet Union that causes it. Let me just quickly—because I know time is important—point something out.

Sitting at that table in this summit were the representatives, the heads of state, of nations that not too many years ago were deeply engaged in a hatred-filled war with each other. And here we were, sitting as closely as we're sitting, with a really warm, personal friendship that has developed among us, but more than that, with a friendship between our peoples. And, what is the cause of disarray in the world—if we had been able to do this with our erstwhile enemies, doesn't it sort of follow that we are the ones who want a peaceful world? I don't mean, when I say, "we," the United States, I mean all of us—the people who were around that table—that we are the ones who are striving for peace and have been successful in healing those terrible, deep wounds. But that one country that was an ally in that great war is the cause of tension in the world, and that the things that we had to think about with regard to our own national security, all dealt with our national security vis-a-vis that particular country.

Now, over and over again in talking trade we stressed that we don't want a trade war with the Soviet Union. We are going to—we've been forced into having to view our relationship with our own security in mind. But I couldn't help but think several times,

why in the world isn't that other so-called superpower—why didn't they have someone sitting at that table able to get along with the rest of us?

Q. But do you see better or worse relations? If you were to predict today, is it better or worse relations with the Soviet Union?

The President. I see better, because I think all of us together have a more realistic view of them. Now, this may not be visible in the rhetoric in the immediate future, because there's an awful lot of rhetoric that is delivered for home consumption.

Q. They've accused you of wrecking détente, for example.

The President. What's that?

Q. They've accused you of wrecking détente with the INF statement.

The President. Well, détente, as it existed, was only a cover under which the Soviet Union built up the greatest military power in the world. I don't think we need that kind of a détente. But all of us, we're ready at any time that they want to make it plain by deed, not word, that they want to join in the same things that are of concern to all of us—the betterment of life for our peoples.

Situation in Lebanon

Q. Mr. President, you spent some time in the last couple of evenings talking about the Middle East as well, I understand, with your partners. And, most recently, there has been an increasing tension between both Syrian and Israeli forces in Lebanon right now. You have an agreement between Lebanon and Israel for a troop withdrawal, but the Syrians are not cooperating. Really, without their cooperation, you have very little. What is the next step? And can you tell me, with the increased tensions, have you been in contact with the Soviet Union to get the Syrians to cool it?

The President. Well, this is hardly a summit meeting thing, but let me say we're continuing what we've been doing all the time, and that is trying to persuade the Syrians, who had made a statement in the very beginning of all these talks that they would withdraw when the others did. And we're talking to their Arab friends and allies about this, I think making some progress. So, this

does not require any new course.

And as to whether there were several meetings, there was just one meeting in which I summed up and gave my—well, no, I didn't. I'm sorry. I was thinking there—I was talking about something else.

No, on the Middle East, we did have one session and a dinner session, and actually it was more of a—there was no quarrel with what we're doing. It was total support. But there was more a report on some of those who had been closer to the situation back over the years, our European neighbors, giving their views on some of the things that were at issue there and some of the problems.

Mr. Speakes. We'd better go right now.

Staff member. Mr. President, there's a major problem if we don't—

The President. What? We'll see. Real quick. There's two, there. Yes.

Intermediate-range Nuclear Forces Negotiations

Q. Just in light of the INF declaration, can you envision an outcome, an interim solution in Geneva which would delay the stationing of the missiles in Europe?

The President. I don't think you can predict on anything there without getting into the dangerous field of discussing strategy. Frankly, my own opinion is that the negotiations won't really get down to brass tacks until they see that we are going forward

with the scheduled deployment.

Q. Thank you, sir.

Q. Does that mean afterward—

The President. What?

Q. That you won't get a—that the negotiations won't go forward until after you deploy?

The President. Oh, no. We're going to try. The meetings are on now. We're going to try to negotiate. I am just anticipating from the Soviet side. They have based their entire propaganda campaign, everything they've been doing, on seeking to prevent the beginning deployment. And we have a schedule of deployment, the request of our NATO allies, and we're going to follow that—

Mr. Gergen. Thank you very much, Mr. President.

Note: The interview began at 11:47 a.m. in Providence Hall. Participants in the interview were Lou Cannon of the Washington Post, Saul Friedman of Knight-Ridder Newspapers, Jerry Watson of the Chicago Sun-Times, John Hall of the Media General News Service, Dean Reynolds of Cable News Network (CNN), Robert Sole of Le Monde, Mauro Lucentini of Il Giornale, and Carola Kaps of the Frankfurter Allgemeine Zeitung.

David R. Gergen is Assistant to the President for Communications.

Remarks on Departure From Williamsburg, Virginia May 31, 1983

Well, thank you, and thank all of you. And I mean not just for being here and for that warm welcome, but I realize that practically everyone here has been a part of what's been going on—from you of Williamsburg who have been so warm in your hospitality and so friendly, and to all of you others who have made everything happen on time, except my getting out here—[laughter]—and all the ramifications and the detailed work that has made this a very successful summit.

And I'm not just speaking now for our

own country or our side, but I want you to know that all during this summit, the heads of state, who've now all embarked on their way home, repeatedly volunteered to me how wonderfully they were being treated, how warmly they were greeted by all of you here in the community, but also how their every need, whether it had to do with the business of the summit or whether it just was for their personal comfort, how every need had been met. And they were overwhelmed by this, plus the fact that they said they felt a great kinship and a

part of now American history more so than they ever had before by virtue of having the meeting in this particular place and among all of you who have made this historic monument such a wonderful and spectacular place.

So, again I just, from the bottom of my heart, thank you not only for our own personal comfort and what you've done but you've made a sizable contribution to better

international understanding. So, thank you again.

Note: The President spoke at 12:06 p.m. outside Providence Hall to summit task force employees, volunteers, and Colonial Williamsburg employees. Following his remarks, the President and Mrs. Reagan returned to Washington, D.C.

Statement on the Proposed Department of International Trade and Industry

June 1, 1983

In recent years, international trade has become increasingly central to the American economy. Today, one of every eight American manufacturing jobs is related to exports. Every billion dollars in exports supports 25,000 jobs.

I am proud of the team we have brought to Washington to work on trade issues. We have come to believe through our experience that the executive branch can—and should—be better organized to tackle the issues on this front.

Today I am pleased to announce plans that would place responsibility for both trade policymaking and implementation in a single department.

This new department can not only pro-

vide a leaner, more efficient, better coordinated approach to international trade but can also help us in achieving many key objectives:

- a healthy and open system of international trade;
- expansion of U.S. exports;
- reduction of overseas barriers so that American firms can compete more effectively abroad;
- encouragement of the private sector to seek out more opportunities overseas;
- and of great importance, insurance that America speaks with a strong, unified voice in trade and industrial matters.

I urge the Congress to enact this plan into law as swiftly as possible.

Appointment of Clarence W. Skye as a Member of the National Advisory Council on Indian Education

June 1, 1983

The President today announced his intention to appoint Clarence W. Skye to be a member of the National Advisory Council on Indian Education for a term expiring September 29, 1985. He will succeed Edward K. Thomas.

Since 1978 Mr. Skye has been serving as executive director of the United Sioux Tribes of South Dakota Development Corporation in Pierre, S. Dak. Previously he

was equal employment opportunity director for the United Sioux Tribes of South Dakota Development Corporation; administrative manager for the tribal chairman of the Standing Rock Sioux Tribe in Fort Yates, N. Dak.; and was in the Office of Tribal Assistance Administration, Division of Intergovernmental Personnel Programs, United States Civil Service Commission, at the

Denver Federal Center in Denver, Colo.

He received a bachelor of science degree from Black Hills State College. He is mar-

ried, has three children, and resides in Pierre, S. Dak. He was born July 26, 1941, in Fort Yates, N. Dak.

Statement on the Death of Jack Dempsey

June 1, 1983

Jack Dempsey was a champion who never lost his title in the hearts of the American people. He was a true winner, remembered as much for his dignity, easy manner, and generous nature as for his remarkable skills in the boxing ring. He was one of the golden athletes of that golden

era of American sports, the 1920's. Our attachment to America's colorful past is weakened by his passing.

I convey my deepest sympathy to Mr. Dempsey's family and to all who admire the ideals of sportsmanship he embodied.

Remarks to Reporters Following Lunch With the Space Shuttle Challenger Astronauts

June 1, 1983

The President. I have just had lunch with the crew of the space shuttle. And it was quite a lunch—squeezed it from a plastic bag. [Laughter] No, we really didn't, but I wanted to meet with Captain Crippen, Captain Hauck, Colonel Fabian, Dr. Ride, and Dr. Thagard to let them know how much we look forward to the flight of the seventh space shuttle.

This mission is a mission of firsts. It is the first space flight of an American woman, Dr. Sally Ride; the first shuttle landing at Kennedy Space Center; the first launch of a five-member crew. And I know, come June 18th about 7:32 a.m., you're also going to be first in the hearts of your countrymen. A little bit of every American will be up there with you, and needless to say, you'll carry our pride and our prayers as you head into space.

This will be the second flight of the *Challenger*. And, as I said to the crew of the first flight, "You genuinely are challengers." You're daring the future and the old ways of thinking that kept us from—or kept us looking at the heavens, instead of traveling to them. And you and that white spacecraft you fly represent the hope of the future.

Now, I don't want to delay the flight, so I won't give a full-fledged speech. But, I did want to say publicly and personally how very honored America is to have public servants of your dedication, your courage and intelligence; and, on behalf of all your fellow citizens, to wish you a very successful flight and to say Godspeed and God bless you for all that you're doing.

Crew members. Thank you, Mr. President.

Q. Mr. President, why don't you go along with them—become the first President to go into space? [Laughter]

The President. Well, I'm a little hurt, because several flights ago I asked them if they would stop and pick me up on the way to Edwards Air Force Base, and they haven't done it. [Laughter]

Q. [Inaudible]—see the launch? [Inaudible]—going to see the launch?

The President. What?

Q. Would you like to see the launch?

The President. I'd like to see it, but I don't think there's going to be an opportunity to do that.

Q. Mr. President, are you giving up on build-down?

The President. What?

Q. Are you backing away from the build-down idea?

Q. Does Chancellor Kohl have a role to play in setting up a summit, sir?

Deputy Press Secretary Speakes. That's about enough.

Q. Wait, let the man speak for himself.

Q. Let him talk, Larry.

Mr. Speakes. He doesn't want to speak to you.

Q. You're not the President. Who elected you? *[Laughter]* That's what they always tell me.

Mr. Speakes. I may be running.

Q. Does Chancellor Kohl have a role to play in setting up a summit?

The President. Please, you're all just welcome here. I hope it doesn't rain on you.

Q. If you go along, you can become the first spacey President. *[Laughter]*

The President. [Inaudible]

Q. What?

The President. Sam [Sam Donaldson, ABC News] has spoken for all who are way out. *[Laughter]*

Note: The President spoke at 1:05 p.m. on the South Grounds of the White House.

Proclamation 5066—Father's Day, 1983

June 1, 1983

By the President of the United States of America

A Proclamation

Each year this Nation sets aside a day on which to honor fathers for their many contributions to the well-being of their children, their families, and our society.

Traditionally, Americans have looked to fathers to provide leadership and stability for their families. Fathers play a vital role in providing sustenance, protection, and guidance for their families and the community at large. We owe them our high esteem, for their presence and gift of love as role models, providers, and defenders of the Nation. They not only play an invaluable part in transmitting the values and traditions of our society, but are instrumental in encouraging the self-confidence of our youngsters in facing the future.

Fatherhood is both a great responsibility and one of the most rewarding and pleasurable experiences life has to offer. Father's Day presents a special opportunity to appreciate our fathers—to consider all they have done, and all they continue to do, in fostering children's physical and emotional growth, encouraging success, easing failure, maintaining family life, contributing vitally to the economy, and serving their commu-

nities. The quality and scope of their activities, as well as their overriding concern for the well-being of their families and our country, inspire and strengthen us as individuals and as a Nation.

Now, Therefore, I, Ronald Reagan, President of the United States of America, in accordance with the joint resolution of the Congress (36 U.S.C. 142a), do hereby proclaim Sunday, June 19, 1983, as Father's Day. I invite the States and communities and the people of the United States to observe that day with appropriate ceremonies as a mark of gratitude and abiding affection for their fathers. I direct government officials to display the flag of the United States on all Federal government buildings, and I urge all citizens to display the flag at their homes and other suitable places on that day.

In Witness Whereof, I have hereunto set my hand this 1st day of June, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:33 a.m., June 2, 1983]

Appointment of John F. W. Rogers as Assistant to the President for Management and Administration

June 1, 1983

The President today announced the appointment of John F. W. Rogers to be Assistant to the President for Management and Administration. Mr. Rogers has been serving as Deputy Assistant to the President for Management since February 1982. He joined the White House staff in January 1981 as Special Assistant to the President for Administration, responsible for the day-to-day administrative operations at the White House.

In addition to his responsibilities for White House administration and management, Mr. Rogers will continue to serve as Director of the Office of Administration (a statutorily independent agency within the EOP). In his new position Mr. Rogers will

continue to report to the President through Richard G. Darman and James A. Baker III.

During the Presidential transition, Mr. Rogers was executive assistant to James A. Baker III, director of the White House transition team. Before joining the White House transition team, Mr. Rogers was assistant to the president for administration at the American Enterprise Institute for Public Policy Research (AEI).

Mr. Rogers is a graduate of George Washington University and recipient of the Trautman Scholarship. He is a member of the board of trustees of the Capitol Historic Society. He was born in Seneca Falls, N.Y., on April 15, 1956.

Appointment of Michael A. McManus, Jr., as an Assistant to the President and Deputy to the Deputy Chief of Staff

June 1, 1983

The President today announced the appointment of Michael A. McManus, Jr., to be Assistant to the President and Deputy to the Deputy Chief of Staff. Mr. McManus has been serving as Deputy Assistant to the President and Deputy to the Deputy Chief of Staff since April 1982. In this capacity he has recently served as administrator, 1983 Summit of Industrialized Nations.

In his new position Mr. McManus will continue to report to the President through Michael K. Deaver, Deputy Chief of Staff.

Prior to joining the White House staff,

Mr. McManus was corporate counsel to Pfizer, Inc., a multinational health care company, and general counsel of its international chemicals division. He previously served in the Department of Commerce during the Ford administration.

Mr. McManus graduated from the University of Notre Dame and the Georgetown University Law Center. He also attended the Pace University Graduate School of Business. He was born in Boston, Mass., on March 11, 1943.

Remarks at a White House Reception for the Council of the Americas

June 1, 1983

David, George, ladies and gentlemen, I thank you all very much. It's a pleasure to speak to a group that doesn't need to be convinced of Latin America's vital importance to the United States. *[Laughter]*

I've long believed that the future is here in the Americas. And all of you are already involved in one way or another in giving life to that future. Recently, I spoke to the Congress about the situation in Central America, giving our lawmakers my view on this crucial region that is so near to us. I asked for their bipartisan support to help ease the problems that beset our neighbors in this region, and I've been gratified by the response from the Congress and from our people.

Let me say, too, that contrary to some reports you may have seen in recent days, we're not changing the policy I outlined to the Congress. Nor is there change in the urgent need for bipartisan support for that policy. As George Shultz said this week, we're not against anyone in Central America; we are for the people there. And we will firmly resist efforts that are aimed at denying them the freedom and democracy to which they're entitled. Now, there is hope for the region, and we mustn't falter in our commitment to these neighbors whose culture and heritage are part and parcel of our own.

The contributions you've made in the past and are making today are reason for optimism about the hemisphere's future. Over the years you've contributed decisively to the export-led development that has brought about the greatest expansion of trade and well-being in the history of the world. You've developed new management techniques that have brought you into close association with citizens of the countries in which you do business. You've observed their laws and served their national goals, thereby proving the common interests of the countries of this hemisphere.

These accomplishments have demonstrated that private enterprise is the engine of

development. You've created employment, expanded the tax base on which social services depend, and above all, provided the dynamism and technology and the potential of technology and the opportunities of improving political and commercial ties among nations.

These achievements are being challenged today by two crises—directly by the global recession and indirectly by the Communist threat to the freedom and independence of Central America. Now, I know that you'll be discussing these challenges at length in your meetings, but let me just say that the one essential to solving both is freedom—freedom to garner the fruits of innovation, competition, and free trade; freedom to enlist the cooperation and creativity of the many people who value work as the fundamental ethic for bettering their lot; freedom to build and to solve problems without the suffocating weight of totalitarian tyranny.

The Communists and their Marxist apologists who claim that theirs is the key to a new utopia have been rejected again and again. A command economy leads to neither economic progress nor justice, but a democratic society with a free economy can achieve both. More and more people are realizing that Marxist socialism can provide rhetoric, but it doesn't put food on the table. One of the heads of state in the recent summit was speaking about someone of that philosophy in his own country and said, "They talk left but live right." *[Laughter]*

I have to tell you that in my recent trip to Central America, in that one nation where, as I began to speak, a gentleman stood up in the audience and began to speak back at me. And since it was in a different language than my own, I didn't know what he was speaking about, but I had to wait and I asked the President of that country, the oldest democracy we have in the Americas, Costa Rica, what this was about. Well, he told me it was a member of

what would correspond to our Congress, a member, one of their legislators, and he was a Communist. And that's what he was speaking about. Well, I had a mike and he didn't, so finally I just figured I might as well override him; so I did. [Laughter] But later the President told me something else. He was the Communist in the legislature. He was the only legislator in Costa Rica who drives a Mercedes. [Laughter]

I can think of nothing that is more important to the security of our country than building strong and healthy economies throughout the Western Hemisphere. One of the goals I've set is a new solidarity in the hemisphere. The people here have fundamental values that tie us together. Many of us are descended from pioneers who gave up everything to come to the New World in order to better themselves and their families.

From the South Pole to the North Pole, no place else in the world is quite like it. We worship the same God. And while there are three languages, there are only three, but so much in common. And one significant thing—and I have said this to people of these other countries and to their—they have expressed their pleasure in it—you can cross from border to border in any of these countries in South, Central, and North America, and you're still among Americans, because we are all Americans from pole to pole.

Today the efficiency, resources, and know-how of this part of American business are as legendary as the spirit of those pioneers, and your role is no less historic. In

Central America, in the Caribbean, and throughout Latin America, your enterprise will have tremendous impact on the political and economic future of the hemisphere. So, we're grateful to you for your resourcefulness and want to encourage you to be bold and to spread American enterprise throughout the hemisphere. That's a job that you can do better than anyone else.

I know that many of you have contributed to the Caribbean Initiative, and we're now close to making this program a reality. But I still need your active support. I need it because I also realize something else that is of importance to you, and this is where we in government come in.

You must have some assurance that the violence can be curbed in some of those other countries, the subversion that is going on and the attempt to take over by force from the governments of those countries. And there, they must have our help in stemming that violence so that you can go forward with investment and bringing their economies up to where the differences in society that exist can be overcome, and they can have standards of living comparable to ours.

So, we have to work together in bringing these two things about. And all I can say to you is keep up the good work, and God bless you. Thank you.

Note: The President spoke at 5:07 p.m. in the East Room at the White House. In his opening remarks, he referred to David Rockefeller, chairman of the council, and the Vice President.

Letter to the Speaker of the House and the President of the Senate Requesting Fiscal Year 1984 and 1985 Authorization for Ship Procurement June 1, 1983

Dear Mr. Speaker: (Dear Mr. President:)

This letter is submitted in compliance with Section 810 of the Department of Defense Appropriation Authorization Act, 1979. That section requires me to provide

the Congress with my conclusions with respect to the survivability, cost effectiveness, and combat effectiveness of any new ship requested for the combatant forces; a recommendation whether the ship should be nuclear or conventionally powered; and the

reasons for my conclusions and recommendations. Authorization is being requested for fiscal years 1984 and 1985 for the ships listed in the attachment to this letter. With the exception of a new class of destroyer, the DDG-51 Class, ships of these combatant classes have been authorized in the past. All of these ships are considered to be combat effective. Because ships last 25 to 30 years or more, their effectiveness will be enhanced in the future as new equipments are added. Combat effectiveness is judged in terms of the ability of each ship to accomplish the mission for which it was designed. In all cases, these ships provide more capability than the ships of comparable type or class that are scheduled to be retired as the new ones are delivered.

The ships are considered to be cost effective in relation to the various missions they are to perform. In determining cost effectiveness, consideration is given to several factors including alternative power systems and alternative weapons systems that may be used to accomplish the missions of the ship and the fact that it is difficult to prorate the total cost of a ship among all of the missions it is designed to perform. Cost effectiveness is considered acceptable for the continuing programs requested for fiscal years 1984 and 1985 because the ships can accomplish their primary missions and because nonrecurring costs have been incurred and production is underway. The DDG-51 Destroyer will replace guided missile destroyers scheduled to begin retirement in the early 1990's. These new class ships will be armed with a light weight version of the AEGIS Weapon System which is now entering the Fleet. The Amphibious Assault (LHD-1) Class ship will be based on the LHA-1 Class hull design, of which five are in the Fleet. Conventionally powered propulsion systems are planned for the AEGIS Cruiser (CG-47), the DDG-51 Destroyer, the LSD-41, and the LHD-1 Class ships since these systems are adequate for these ships to accomplish their missions and have lower procurement costs.

Compared to the ships now in the Fleet, class for class, the ships in this authorization request are more survivable. Survivability

in this sense is measured by the ability of each ship to defend itself as well as the ability to withstand hits when confronted with existing and projected threats.

Nuclear power is proposed for two of the ship types for which authorization is requested. They are submarines. In view of higher investment cost of nuclear powered ships, I believe that nuclear power should be limited to those ships for which clear benefits are derived. Compared to the missions of surface ships, submarine missions provide a much greater opportunity to capitalize on the benefits of nuclear power. In addition, it would not be cost effective to alter either the TRIDENT or attack submarine designs for conventional power at this time. Hence, I recommend that these ships be nuclear powered and that the others be conventionally powered.

The Navy will address each of these conclusions and recommendations in greater detail.

Sincerely,

RONALD REAGAN

Authorization Requested for Combatant Ships

	Fiscal year—	
	1984	1985
TRIDENT Class Nuclear Subma- rine.....	1	1
SSN-688 Class Nuclear Attack Submarine.....	3	4
CG-47 Class AEGIS Cruiser.....	3	3
DDG-51 Class Destroyer.....		1
LSD-41 Class Landing Ship Dock.....	1	2
LHD-1 Class Amphibious As- sault Ship.....	1

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.

The text of the letters was released by the Office of the Press Secretary on June 2.

Question-and-Answer Session With Reporters on the Situation in El Salvador

June 2, 1983

Q. Mr. President.

Q. Mr. President, come over for a second.

Q. Come and talk to us just before you go.

Q. Are you going to send doctors and medical teams to El Salvador?

The President. Yes. In fact, I heard some time ago about their problems there. This is for civilian as well as whatever military casualties. There is a great need for it, and I am doing this in consultation with the Congress.

Q. What of those who will say that this is a stepping up of our involvement?

The President. Well, if they say it, they will be as wrong as they've been on so many other things. Because, as I said, there is a real need for medical care down there, and in the civilian society, as well. And we're in consultation, as I say, with the Congress on this.

Q. Secretary Enders¹ today seemed to criticize those who he said won't negotiate down there. I said, Secretary Enders was criticizing those who won't negotiate down

there, because he says unless we're willing to go in there with overwhelming force, negotiation is the only way.

The President. There's no one that is refusing to negotiate. We are not, however, going to allow armed guerrillas to power, at the point of a gun, their way into a sharing in the government without submitting to the voters. We're negotiating all the time, trying to get them to join in the democratic process.

Q. What about the threat from the left, Mr. President, to kill American military advisers in El Salvador?

The President. Well, I think that that should be a revelation to all of those people who have been believing that the guerrillas are some kind of noble freedom fighters. They aren't. They're murderers and terrorists.

Q. Thank you.

Note: The exchange began at 11:24 a.m. on the South Lawn of the White House as the President and Mrs. Reagan were departing for Camp David, Md.

Nomination of Lee M. Thomas To Be an Assistant Administrator of the Environmental Protection Agency

June 2, 1983

The President today announced his intention to nominate Lee M. Thomas to be an Assistant Administrator of the Environmental Protection Agency (Solid Waste and Emergency Response). He would succeed Rita M. Lavelle.

Since March 1983, Mr. Thomas has been serving as Acting Deputy Administrator of the Environmental Protection Agency. Pre-

viously he served as Acting Assistant Administrator of the Environmental Protection Agency for Solid Waste and Emergency Response (February-March 1983). He was Associate Director of the Federal Emergency Management Agency (State and Local Programs and Support) in 1981-1983. He managed all disaster relief efforts at the Agency and was Chairman of the President's Task Force on Times Beach, Missouri. He was director, Office of Public Safety, Governor's Office, South Carolina, in 1980-1981; an independent consultant in 1978-

¹ Thomas O. Enders, Assistant Secretary of State for Inter-American Affairs.

1980; director, Office of Criminal Justice, Governor's Office, South Carolina, in 1972–1978; research analyst, South Carolina Department of Corrections, in 1970–1971; and probation officer, Richland County, South Carolina, in 1968–1970.

Mr. Thomas graduated from the University of the South (B.A.) and the University of South Carolina (M. Ed.). He has two children and resides in Woodbridge, Va. He was born June 13, 1944, in Ridgeway, S.C.

Appointment of Michael Roth as a Member of the International Private Enterprise Task Force

June 2, 1983

The President today announced his intention to appoint Michael Roth to be a member of the International Private Enterprise Task Force. This is a new position.

Since 1979 Mr. Roth has been a partner in the law firm of Shea & Gold in New York, N.Y. He was founder, senior and managing partner of Roth, Carlson, Kwit &

Spengler in New York City in 1964–1974. He was an associate with Stroock & Stroock & Lavan in 1956–1963.

Mr. Roth graduated from Yale University (B.A., 1953) and Columbia University Law School (LL.B., 1956). He is married, has three children, and resides in Rye, N.Y. He was born July 22, 1931, in New York, N.Y.

Statement by Deputy Press Secretary Speakes on Providing a United States Medical Team to El Salvador

June 2, 1983

As a humanitarian gesture, the United States will provide a medical team to the Government of El Salvador. The team is a battalion-size unit of 20 to 25 members, composed of doctors, technicians, medics, and corpsmen, who will assist the El Salvadoran Government in emergency medical services. The unit is composed of military personnel from the various service branches. About a third of that total will be doctors.

The decision which was approved by the President was in response to a request by the Government of El Salvador. There have been reports, both from the Government and from the private sector, that have cited the serious medical problems faced by the military and civilian population in El Salvador. Of particular interest was a study by the New England Journal of Medicine, which pointed out in specific terms the difficulties faced by the people of El Salvador.

After these needs were pointed out by

the Government, and prior to the New England medical publication, the U.S. sent a survey team to El Salvador to study the needs and to recommend a U.S. response. The action is a result of their recommendations.

Consultations with appropriate Members of Congress began several weeks ago. We have kept Congress fully abreast of our plans. The reaction among key Members of Congress has been one of understanding and general approval.

This decision in no way conflicts with our self-imposed commitment to hold the number of military trainers to 55. The number at the moment is 52 military trainers, but it does vary virtually on a day-to-day basis. It has not exceeded 55, and we have no plans to exceed this limit.

The medical team, which will be headed by two medical service officers, will be under the policy direction of the U.S. Em-

bassy. They will report through appropriate military channels. They will assist the Salvadoran Government in treating their civilian and military casualties. They will provide guidance to the Government in establishing their own medical services.

It is our desire in taking this action to help alleviate a devastating situation. It is our intention to provide basic humanitarian medical relief through training medics, helping establish a medical supply system, and repairing medical equipment.

This team would be able to undertake an extensive survey in the military hospital medical system and begin repair of equipment and establishment of a medical logistics system and would instruct El Salvadoran armed forces medical personnel in field-medical techniques.

This project is designed to help alleviate a bad situation, which is getting worse. They will operate in the San Salvador area. The duration of their stay is expected to be about 6 months. The U.S. survey teams,

which have observed medical conditions in El Salvador for a number of weeks, report the medical situation in the country is critical. The Salvadorans are faced with crowded medical facilities, lack of equipment and sufficiently trained medical personnel.

The President, once informed and briefed on the situation, directed this effort be made to aid the people of El Salvador in coping with a difficult situation. It is an effort on our part to allow a nation struggling to establish democratic principles to meet yet another challenge imposed on them by an unfortunate and vicious war being waged and directed by forces from outside their country.

The President said, "The United States will not stand by idly while human suffering is at such a level."

Note: Deputy Press Secretary Larry M. Speakes read the statement during his daily briefing for reporters, which began at 12:33 p.m. in the Briefing Room at the White House.

Appointment of Becky Norton Dunlop as Deputy Assistant to the President and Deputy Director of Presidential Personnel

June 2, 1983

The President today appointed Becky Norton Dunlop as Deputy Assistant to the President and Deputy Director of Presidential Personnel. Mrs. Dunlop will report to John S. Herrington, Assistant to the President and Director of Presidential Personnel.

Mrs. Dunlop is currently Special Assistant to the President and Director of the Office of Cabinet Affairs and has served in that office for the past year. Prior to joining the Reagan administration in 1981, Mrs. Dunlop was president of Century Commu-

nications, Inc., which she founded in 1977. She was associated with the American Conservative Union from 1973 to 1980, completing her service as assistant executive director and consultant to the board. She was also involved in the Reagan campaigns of 1976 and 1980.

A native of Columbus, Ohio, Mrs. Dunlop is a 1973 graduate of Miami University in Oxford, Ohio. She is married to George S. Dunlop and currently resides in Arlington, Va. She was born October 2, 1951.

Nomination of Thomas R. Pickering To Be United States Ambassador to El Salvador

June 2, 1983

The President today announced his intention to nominate Thomas R. Pickering, a career Foreign Service officer, to be Ambassador to El Salvador. He would succeed Deane R. Hinton.

He is currently serving as Ambassador to Nigeria. He entered the Foreign Service in 1959 as intelligence research specialist in the Department of State and was political officer (Test Ban Treaty) in Geneva on detail to the Arms Control and Disarmament Agency in 1961–1964. He attended Swahili language training at the Foreign Service Institute in 1964–1965. In 1965–1967 he was principal officer in Zanzibar and Deputy Chief of Mission in Dar es Salaam in 1967–1969. In the Department of

State he was Deputy Director of the Bureau of Politico-Military Affairs (1969–1973) and Special Assistant to the Secretary of State and Executive Secretary of the Department (1973–1974). In 1974–1978 he was Ambassador to the Hashemite Kingdom of Jordan, and Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs in the Department in 1978–1981.

Ambassador Pickering graduated from Bowdoin College (A.B., 1953), Fletcher School of Law (M.A., 1954), and the University of Melbourne (M.A., 1956). He served in the United States Navy in 1956–1959. He is married and has two children. He was born November 5, 1931, in Orange, N.J.

Nomination of Two Members of the National Council on Educational Research

June 2, 1983

The President today announced his intention to nominate the following individuals to be members of the National Council on Educational Research:

Joan M. Gubbins, for a term expiring September 30, 1985. She would succeed Alice Coig McDonald. She is executive director of the Watchman Foundation in Indiana. She also serves as producer and moderator of the educational radio program. She was Indiana representative to the Education Commission of the States in 1978–1980. She is married, has two children, and resides in Noblesville, Ind. She was born July 2, 1929, in White Plains, N.Y.

David J. Armor, for the remainder of the term expiring September 30, 1983, vice Robert E. Nederlander, and for a term expiring September 30, 1986, reappointment. He is president of National Policy Analysts, Inc., in Santa Monica, Calif. He is also serving as a consultant to the National Institute for Education. Previously he was senior social scientist for the Rand Corp. in 1973–1982. He graduated from the University of California at Berkeley (B.A., 1961) and Harvard University (Ph. D., 1966). He is married, has two children, and resides in Malibu, Calif. He was born November 11, 1938, in Long Beach, Calif.

Designation of Eight Special Assistants to the President for National Security Affairs

June 3, 1983

The President today announced the designation of eight members of the National

Security Council staff as Special Assistants to the President, reporting to the Assistant

to the President for National Security Affairs, William P. Clark. They are as follows:

Norman A. Bailey, Senior Director of International Economic Affairs and Special Assistant to the President. Dr. Bailey is a graduate of Oberlin College (A.B.) and Columbia University (M.I.A. and Ph. D.) and was on the faculty of the City University of New York from 1962 until he joined the NSC staff in 1981. His business career has included work as an international economist for the Mobil Oil Co., president of Overseas Equity Inc. (international financial consulting) and president of Bailey, Tondou, Warwick & Co., Inc. (international investment banking). He speaks five languages and has authored books, articles, short stories, plays, and poetry. He is married, has four children, and lives in McLean, Va. He was born in Illinois in 1931.

Richard S. Beal, Senior Director of Crisis Management Support and Planning and Special Assistant to the President. Dr. Beal has been Special Assistant to the President and Director of the Office of Planning and Evaluation since January 1981. He was formerly associate professor of international relations and political science at Brigham Young University. He received his Ph. D. in international relations from the University of Southern California. He was a Fulbright-Hays Scholar at Jawaharlal Nehru University in New Delhi, India. He is married, has five children, and lives in Herndon, Va. He was born in Washington, D.C., in 1945.

Donald R. Fortier, Senior Director of Political-Military Affairs and Special Assistant to the President. Mr. Fortier was Deputy Director of the Policy Planning Staff at the Department of State from February 1981 until he joined the NSC staff in September 1982. He was formerly a member of the professional staff of the House Foreign Affairs Committee, serving first as a consultant to the Subcommittee on International Security and Scientific Affairs and later as a senior consultant to the full committee. Prior to that, he was employed as a defense consultant by the Rand Corp. He received his undergraduate degree from Miami University in Oxford, Ohio, and his M.A. in political science and international relations at the University of Chicago, where he held a Ford Foundation scholarship. He is married, has one son, and lives in Chevy Chase, Md. He was born in Ohio in 1947.

Geoffrey T. H. Kemp, Senior Director of Near East and South Asian Affairs and Special Assist-

ant to the President. Prior to joining the NSC at the start of the Reagan administration, Dr. Kemp was a professor of international politics at the Fletcher School of Law and Diplomacy, Tufts University. From 1975 to 1976, he worked in the office of Assistant Secretary of Defense for International Security Affairs. He has been a consultant to the Senate Committee on Foreign Relations and the Department of Defense. Before joining Tufts, he was a research associate at the Massachusetts Institute of Technology Center for International Studies, and from 1965-1967 was a research associate with the International Institute for Strategic Studies in London. He received his B.A. and M.A. degrees from Oxford University and his Ph. D. in political science from MIT. He has published studies on national security policy with emphasis on U.S. political-military relations with the Middle East countries. Born in the United Kingdom in 1939, he is a naturalized U.S. citizen and lives in Washington, D.C.

Ronald F. Lehman, Senior Director of Defense Programs and Arms Control and Special Assistant to the President. Dr. Lehman was Deputy Assistant Secretary of Defense for International Security Policy prior to joining the NSC staff in May 1983. Previously, he was a member of the professional staff of the Senate Armed Services Committee. He came to Washington as a Public Affairs Fellow of the Hoover Institution on War, Revolution and Peace and then worked as a legislative assistant on Capitol Hill. A major in the United States Army Reserve, he is airborne qualified and served in Vietnam. In 1980, he was with the office of policy coordination in the office of the President-elect. A graduate of Claremont Men's College in California, he received his Ph. D. in government from the Claremont Graduate School. Dr. Lehman, who is married and lives in Arlington, Va., was born in California in 1946.

Walter Raymond, Jr., Senior Director of International Communications and Information, and Special Assistant to the President. Prior to joining the NSA staff in July 1982, Mr. Raymond was an information and political officer and a foreign policy specialist whose government service began in 1952. He has served with the United States Army, Department of Defense, Central Intelligence Agency, and Department of State, and has lived in Germany, France, and England. He speaks French and German and has traveled extensively in Europe and the Middle East. He received his B.A. from the College of William and Mary, a masters degree from Yale University, and is a graduate of the National War College. He was born in New York in 1929.

Gaston J. Sigur, Jr., Senior Director of Asian Affairs and Special Assistant to the President. Dr. Sigur is presently on leave from the George Washington University, where he has served as professor of international affairs and director of the Institute for Sino-Soviet Studies since 1972. He has lived some 10 years in Japan and 3½ in Afghanistan, where he was representative of the Asia Foundation. He received his Ph. D. degree in history from the University of Michigan. He has written numerous articles and monographs on East Asian affairs. His most recent work is an edited volume entitled "Japan and U.S. Policy in Asia," published by Praeger in 1982. He is married, has five children, and lives in Kensington, Md. He was born in Louisiana in 1924.

Robert B. Sims, Senior Director of Public Affairs

and Special Assistant to the President. A Navy public affairs specialist, Captain Sims was a Senior Research Fellow at the National Defense University before joining the NSC staff in May of 1982. He was Deputy Chief of Information for the Navy Department 1978-1981 and Special Assistant for Public Affairs to the Secretary of the Navy 1974-1978. He has a B.A. degree from Union University, was a Rotary Foundation Fellow studying international relations at the University of Sydney, Australia, has masters degrees in journalism and in political science from the University of Wisconsin, and is a graduate of the National War College. His writings include "The Pentagon Reporters," a book to be published this year. He is married, has four children, and lives in McLean, Va. He was born in Tennessee in 1934.

Appointment of Albert John Ossman, Jr., as a Member of the National Historical Publications and Records Commission

June 3, 1983

The President today announced his intention to appoint Albert John Ossman, Jr., to be a member of the National Historical Publications and Records Commission for a term expiring December 26, 1985. He will succeed John G. Lorenz.

He is currently serving as professor of political science/public policy and director of the public affairs program at Bethany College in Bethany, W. Va. Previously he was professor of political science/public policy at Eisenhower College, Seneca Falls, N.Y.,

in 1968-1982; executive director, development (campaign planning) and associate director of development at Eisenhower College in 1980-1981; and associate dean of academic affairs at Eisenhower College in 1977-1980.

Dr. Ossman graduated from Syracuse University (A.B., 1950; M.A., 1951; Ph. D., 1963). He is married, has one child, and resides in Bethany, W. Va. He was born May 23, 1927, in Dunkirk, N.J.

Appointment of Bruce A. Bunner as a Member of the Supplemental Health Insurance Panel

June 3, 1983

The President today announced his intention to appoint Bruce A. Bunner to be a member of the Supplemental Health Insurance Panel. He will succeed Joseph C. Mike.

He is commissioner of the California Department of Insurance. He has been a partner in the firm of Peat, Marwick, Mitchell & Co. in Los Angeles, Calif., since 1972. He

was also with the firm in 1959-1967. He is a member of the American Institute of Certified Public Accountants and of the California Society of Certified Public Accountants.

He graduated from New York University (B.S., 1959). He is married, has four children, and resides in Diamond Bar, Calif. He was born November 9, 1933, in White Plains, N.Y.

Message to the Congress on Trade With Hungary, China, and Romania

June 3, 1983

To the Congress of the United States:

I hereby transmit the documents required by subsection 402(d)(5) of the Trade Act of 1974 for a further 12-month extension of the authority to waive subsection (a) and (b) of section 402 of the Act. These documents constitute my decision to continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of section 402. I also include my determination that continuation of the waivers applicable to the Hungarian People's Republic, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of section 402. The attached documents also include my reasons for extension of the waiver authority; and for my determination that continuation of the waivers currently in effect for the Hungarian People's Republic, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of section 402.

RONALD REAGAN

The White House,
June 3, 1983.

RECOMMENDATION FOR EXTENSION OF WAIVER AUTHORITY

I recommend to the Congress that the waiver authority granted by subsection 402(c) of the Trade Act of 1974 (hereinafter "the Act") be further extended for twelve months. Pursuant to subsection 402(d)(5) of the Act, I have today determined that further extension of such authority will substantially promote the objectives of section 402, and that continuation of the waivers currently applicable to the Hungarian People's Republic and the People's Republic of

China will also substantially promote the objectives of section 402 of the Act. With respect to the Socialist Republic of Romania, I have today also determined that continuation of the waiver currently applicable to that country will substantially promote the objectives of section 402 of the Act. This determination is based on assurances provided by the Socialist Republic of Romania that it will no longer require reimbursement to the State of education costs as a precondition to emigration, and that it will not create economic or procedural barriers to emigration. My determination is attached to this recommendation and is incorporated herein.

The general waiver authority conferred by section 402(c) of the Act is an important means for the strengthening of mutually beneficial relations between the United States and certain countries of Eastern Europe and the People's Republic of China. The waiver authority has permitted us to conclude and maintain in force bilateral trade agreements with Romania, Hungary, and the People's Republic of China. These agreements continue to be fundamental elements in our political and economic relations with those countries, including our important productive exchanges on human rights and emigration matters. Moreover, continuation of the waiver authority might permit future expansion of our bilateral relations with other countries now subject to subsections 402 (a) and (b) of the Act, should circumstances permit. I believe that these considerations clearly warrant this recommendation for renewal of the general waiver authority.

I also believe that continuing the current waivers applicable to Hungary, the People's Republic of China and Romania will substantially promote the objectives of section 402 of the Act.

Hungary—Hungary continues to take a positive and constructive approach to emigration matters. The Hungarian record of the past year, during which all outstanding problem cases were resolved, was excellent. The number of Hungarian citizens who apply to leave Hungary remains small and emigration permission is granted apparently without undue difficulty. There are no sanctions imposed on those who seek to emigrate, nor do emigration procedures appear excessive.

People's Republic of China—China continued its open emigration policy throughout the past year. Chinese who wish to emigrate do so with little difficulty. In FY-1982, nearly 9,000 immigrant visas were issued by our Foreign Service posts in China. This figure has increased every year since the normalization of relations with China in 1979. In addition, tens of thousands of Chinese have traveled freely abroad over the past few years to study, conduct business, or simply tour and visit family. The limiting factor on Chinese emigration remains less official constraint than the limited ability or willingness of this and other countries to receive large numbers of potential Chinese immigrants.

Romania—Emigration from Romania to all countries has approximately doubled and emigration to the United States has increased sixfold since the granting of MFN to Romania in 1975. In 1982, about 2,500 persons emigrated from Romania to the United States, while about 20,000 emigrated worldwide. This Administration initiated

discussions with the Government of Romania on the improvement of emigration procedures. The rate of Jewish emigration to Israel in the period September 1982 to March 1983 was nearly double that of the same period in 1981-82. I will continue to monitor closely Romania's performance in improving its emigration procedures and in the area of Jewish emigration to Israel.

Implementation in February, 1983, of the education repayment decree of November 1, 1982, imposed a requirement that any Romanian citizen wishing to emigrate must repay in convertible currency the costs of education received beyond the compulsory level (10 years of schooling). This requirement conflicts with the letter and spirit of section 402. For that reason, on March 4, 1983 I announced my intention to terminate MFN status for Romania on June 30, 1983 if the tax was still in force by that date. Since that time, I have received assurances from the President of Romania that Romania will not require reimbursement to the State of education costs as a precondition to emigration, and that Romania will not create economic or procedural barriers to emigration. Based on these assurances and on the above-described emigration performance, I believe that continuation of the waiver applicable to Romania will substantially promote the objectives of the Act.

For the above reasons, I have determined that continuation of the waivers for Hungary, the People's Republic of China and the Socialist Republic of Romania will substantially promote the objectives of the Act.

Memorandum on Trade With Hungary, China, and Romania

June 3, 1983

Memorandum for the Secretary of State

Subject: Determination under Subsection 402(d)(5) of the Trade Act of 1974—Continuation of Waiver Authority

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93-618), January 3, 1975; 88 Stat. 1978) (hereinafter "the Act"), I determine, pursu-

ant to subsection 402(d)(5) of the Act, that the further extension of the waiver authority granted by subsection 402(c) of the Act will substantially promote the objectives of section 402 of the Act. I further determine that the continuation of the waivers applicable to the Hungarian People's Republic, the People's Republic of China and the Socialist Republic of Romania will substantially pro-

mote the objectives of section 402 of the Act.

This determination shall be published in the *Federal Register*.

RONALD REAGAN

Appointment of Seven Members of the White House Office of Intergovernmental Affairs

June 3, 1983

The President today announced his intention to appoint to the Office of Intergovernmental Affairs the following individuals who will report to Lee L. Verstandig, Assistant to the President for Intergovernmental Affairs.

Rick J. Neal, to be Deputy Assistant to the President for Intergovernmental Affairs and Director of the Office of Intergovernmental Affairs. Mr. Neal is presently serving as Special Assistant to the President for Intergovernmental Affairs. Prior to joining the White House in January 1981, he ran his own consulting firm, Rick Neal Co. From 1976 to 1978, he was administrative assistant to Congressman Mickey Edwards (R-Okla.). He graduated from Southwestern State University in Oklahoma (B.A., 1970). He was born on June 23, 1947, in Downey, Calif.

C. A. Howlett, to be Special Assistant to the President for Intergovernmental Affairs. He will be responsible for liaison with the local elected officials. Since 1976 Mr. Howlett has served as executive assistant to the mayor of Phoenix, Ariz. (Mayor Margaret Hance). From 1974 to 1976, he was special assistant to the former mayor of Phoenix (Mayor Timothy Barrow). He has a B.A. and M.A. from the University of Colorado in Boulder, Colo. He was born October 16, 1943, in Pueblo, Colo.

Robert R. Gleason, Jr., to be Special Assistant to the President for Intergovernmental Affairs. He will be responsible for liaison with State legislators. Mr. Gleason has been on the Intergovernmental Affairs staff since March 1981, first as deputy to the Special Assistant working with State legislators, then as executive assistant to the Assistant to the President for Intergovernmental Affairs. Prior to serving in the White House, Mr. Gleason was with the Republican National Committee. He was graduated from Tri-State College, Angola, Ind. (B.A., 1969). He was born March 26, 1947, in Jersey

Note: The memorandum is printed in the Federal Register of June 9, 1983.

City, N.J.

Edmund S. Hawley, to be Special Assistant to the President for Intergovernmental Affairs. Mr. Hawley is presently serving as Deputy Assistant Secretary for Governmental Affairs at the Department of Transportation, and recently he served as Acting Assistant Secretary. Previously he was Executive Director of the Office of Governmental Affairs at the Department of Transportation. He joined DOT in January 1981 from the Boston law firm of Gaston Snow & Ely Bartlett, and prior to that he was legislative assistant to Senator John H. Chafee. Mr. Hawley earned a J.D. degree from the University of Virginia Law School and a B.A. degree from Brown University.

Jocelyn White, to be Deputy to the Special Assistant to the President for Intergovernmental Affairs. She will be responsible for liaison with Governors. Ms. White has been on the Intergovernmental Affairs staff since September 1982, as staff assistant to the Assistant to the President for Intergovernmental Affairs. Prior to serving in the White House, she was manager of regulatory affairs for a trade association, Can Manufacturers Institute. From 1978 to 1981, she was a paralegal with Beveridge, Fairbanks, and Diamond. Ms. White graduated from St. Lawrence University in 1975 with a B.A. in government. She was born on June 6, 1953, in Cleveland, Ohio.

Susan B. Lauffer, to be Executive Assistant for Intergovernmental Affairs. Ms. Lauffer has served as Congressional Relations Officer at the Department of Transportation since May 1981. During the past 3 months, she also coordinated the Agency's legislative efforts for the Acting Administrator of the Environmental Protection Agency. Previously she was manager, government affairs, at G. D. Searle in Skokie, Ill., in 1976-1981. She was Presidential Interchange Executive and Congressional Relations Officer at the Department of Transportation in 1973-

1976, and supervisor, public affairs, at the Quaker Oats Co. in 1972. Ms. Lauffer earned a B.A. degree from Northwestern University in Evanston, Ill.

W. Timothy Locke, to be Special Assistant to Lee Verstandig, Assistant to the President for Intergovernmental Affairs. Mr. Locke has worked in a similar capacity with Lee Verstandig at both

the Department of Transportation and the Environmental Protection Agency since March 1982. Mr. Locke, a native of Tennessee, had previously served on the staff of U.S. Senate Majority Leader Howard H. Baker, Jr., in 1977–1981. Mr. Locke earned a B.A. degree from the University of Mississippi.

Remarks to Participants in the Republican Women's Leadership Forum

June 3, 1983

It's a pleasure to take this opportunity to speak with you today. I want to thank you for all you've done for our causes and our party, and encourage you to do still more. I'm sorry I can't be with you in person, but Secretary Heckler, Faith Whittlesey, Bay Buchanan, and my other representatives with you will bring me a full report.

When that great philosopher and commentator de Tocqueville came to America from France, he took a long look at our country and wrote: "If anyone asks me what I think the chief cause of the extraordinary prosperity and growing power of this nation is due to, I should answer, it is due to the superiority of their women." Well, his words are still true today, only I would add, especially our Republican women.

America needs your wisdom, your inner strength, and your compassion in every phase of our national life—in our families, communities, businesses, politics, and government. We must work together to ensure women can participate in the manner they choose and that they are treated equally. We, in this administration, are committed to eliminating, once and for all, all traces of unjust discrimination against women. At the same time we're doing our best to restore respect for the family and the homemakers who hold our society together.

We're making progress, but there's so much to be done. Now, more than ever, we need women like yourselves—Republican women—to become involved in politics, run for office, or offer to serve in a local, State, or Federal appointment. You share a commitment to basic values and our system of

democratic capitalism, and we need your leadership.

I'm proud to say that this administration is drawing on the talents and leadership of women in a more significant way than any other before it. For the first time in history, three women are serving in the Cabinet at the same time: Secretary Elizabeth Dole of the Department of Transportation, Secretary Margaret Heckler of Health and Human Services, and, of course, Jeane Kirkpatrick, United States Ambassador to the United Nations. Also, as you know, we appointed the first woman to serve on the Supreme Court—Sandra Day O'Connor.

All told, there are more than a thousand women in this administration holding policymaking posts, and we're adding to the list all the time. Just to give you a perspective, we appointed more women to top policy positions in 2 years than did any previous administration.

But our commitment to women and appreciation for their perspectives and problems does not stop there. Many provisions of the law which discriminated against women have been reformed by our policies and initiatives. The so-called marriage penalty has been greatly reduced, estate taxes for a surviving spouse have been virtually eliminated, the tax credit for child care for working mothers was nearly doubled, child support enforcement has been toughened, and rules about Individual Retirement Accounts now allow larger contributions by wives who work both in and out of the home. But that's not all we're doing.

In the last 2½ years, with your help, we also have made some important changes in America's economy, undoing the damage done by the proponents of big government. For example, the prime rate, which had reached a crippling high of 21½ percent, is now as low as 10½. Mortgage rates, which at nearly 18 percent had once priced 90 percent of our families out of the home market, are now down as low as 11½ percent, and I think we can get them lower still. And inflation, which was at 12.4 percent when we took office, has been only eight-tenths of 1 percent for the last 6 months.

We need your help in telling other Americans just how significant our victory over inflation has been. A loaf of bread, for example, costs 2 cents more now than it did in 1980. But if we'd continued with the old rate of inflation, it would have cost 12 cents more. A half gallon of milk is about 16 cents cheaper than it would have been, hamburger about 17 cents cheaper per pound. And the savings on a dozen eggs is as much as 49 cents. Those savings can really add up. We estimate that a family of four on a fixed income of \$20,000 has \$1,600 more in purchasing power this year than they would have had under the old inflation rate.

So, you can see we've been bringing substantial relief to America's financially strapped families. Our policies are designed to combat the inflation that stole from family budgets, expand opportunity for all our people through a renewed economy, and hasten the return of values and principles that made America both great and good.

An important part of that effort is our determination to restore the quality of America's education system. It was once the

finest in the world, and we will not rest until it is so again. We will set a national agenda for excellence in education—an agenda that will reach every child in our land.

We intend to put the basics back in school and the parents back in charge. We believe teachers should be paid and promoted on the basis of their merit and competence, and that competition will promote better schools—that's why we've proposed tuition tax credits and vouchers to restore parental choice. We need you to join with us in a national campaign for excellence in American education. At home, in school, in State government, and at the Federal level, we must make sure we have put our children first and that their education is a top priority.

Our struggle is only beginning, and I need your continued help if we're to reach our goals. When you return to your neighborhoods and communities, help us get the message out. Tell people of the progress we've made. Use what you've learned at this forum and act on your ideas. Let me hear how you're doing, what your neighbors are saying, and what kind of help you need. Remember, we've set out to renew America, and it will take every one of us working together to make things right.

Once again, thank you for what you've done in the past, and I hope I can continue to count on you. The Republican Party needs you, and America needs you.

Good luck, and God bless you.

Note: The President's remarks were videotaped at the White House on June 1 for use at the forum at the Airport Hilton Hotel in Indianapolis, Ind., on the evening of June 3.

Radio Address to the Nation on the American National Red Cross and the Williamsburg Economic Summit Conference

June 4, 1983

My fellow Americans:

Normally I discuss only one topic on these weekly broadcasts, but this week will

be an exception. I want to speak to you about the economic summit we just concluded at Williamsburg, Virginia. Before I

do, however, I must draw your attention to a very serious situation facing thousands of our fellow citizens and an institution we love and need very much—the American Red Cross.

As you know, 10 months of bad weather have ravaged many sections of the country. Tornadoes, floods in the South, savage storms along the Pacific coast, an earthquake in California, and now, mudslides in Nevada and Utah have inflicted terrible destruction on lives and property.

The Red Cross is doing everything it can to help, as it always does. But its budget has been exhausted by its huge relief operations during this relentless spell of bad weather. The Red Cross has no additional disaster funds to meet these new catastrophes.

There will be other disasters, no doubt. And the Red Cross must be ready for them. All of us would want to be able to count on this vital, charitable institution if and when our families ever need help. So, let's make sure the Red Cross has what it needs to continue giving assistance to other disaster victims. We can do that through our own personal contributions. The Red Cross has launched an appeal to replenish its disaster funds. I urge you and your family: please help and give today through you local Red Cross chapter.

Now, a few words about our deliberations at the economic summit at Williamsburg. I was very pleased that the leaders of the great democracies could meet in that beautiful colonial city so rich in history and culture. It was a perfect place to renew ties and pledge our best efforts to achieve stronger prosperity and security by living up to those cherished values that bind us—democracy, individual freedom, moral purpose, human dignity, and personal development.

Perhaps you're thinking, "That sounds fine. But how does it affect me?" Well, Williamsburg was meaningful and constructive in several ways. The leaders of the seven free industrialized nations met in a private, informal setting—one that encouraged some of the best talks among the allies in recent years. We were determined, as sincere and well-intentioned individuals, to talk through our problems, to rise above bickering and discord so, together, we could

forge a common strategy for growth and jobs to ensure the better future our people deserve.

I think we succeeded. Our meetings produced a shared spirit of confidence, optimism, and cooperation—confidence that an economic recovery is beginning, optimism that it can spread to all countries and that it will last, if our countries cooperate to keep inflation down, reduce interest rates further, and put a stop to protectionism.

Williamsburg also demonstrated, to the chagrin of the Soviets, that the spirit of unity in the West for peace through strength is alive and well. Every Western leader who attended agreed that we must resist Soviet efforts to drive a wedge between us. And we all committed ourselves to maintain our security while seeking real arms reductions and working for the cause of peace.

The Williamsburg summit was a positive gain that sent a message of hope to the world. That makes it all the more important for each country to follow up with sound, commonsense policies that carry us forward toward greater progress.

This coming week I'll meet with the bipartisan leadership of the Congress to discuss concrete ways we can follow up on the summit. Here at home, we must not jeopardize what we've worked so hard to build—a strong recovery from a terrible recession caused by years of economic mismanagement. In 2½ years, inflation has been knocked all the way down from an annual rate of 12.4 percent to 3.9 percent and, for the last 6 months, only eight-tenths of 1 percent.

The prime interest rate has been cut more than in half—from a killing 21½ percent to 10½ percent today. Industries like autos, housing, and steel, which had been brought to their knees by those terrible inflation and interest rates, are now regaining strength and calling back workers.

Since we took office, thanks to the incentives provided by tax cuts, among other things, more than 1.1 million new businesses have started up. That's an American record. These are the seeds for millions of new jobs and new technologies for the future. Yes, unemployment is too high. But

it fell slightly again in May, and it will fall further. Nearly 800,000 jobs have been created since December. Last month there were 375,000 more people on the payrolls than the month before.

So, let me repeat: We must keep going forward and not undo the progress we've made. I sincerely hope the Congress will work with us. But let there be no misunderstanding about my position. Hard-working families are already overtaxed; and you know I'm not just whistling in the dark. The United States did not succumb to a decade of difficulties because you, the people, are not taxed enough. We got ourselves in difficulty because government spends too much. We don't need tax increases; we need spending restraint. And that's why the Williamsburg communique makes an explicit call, one I'm prepared to defend with Presidential vetoes.

We will tackle budget deficits, and we must do it by limiting the growth of government expenditures. In the spirit of the

summit, I will also continue to oppose quick fixes of protectionism—legislation like the local content rule, which would force domestic manufacturers of cars to build them with a rising share of U.S. labor and parts. Well, it's a cruel hoax. New cars would be more expensive, more jobs would be destroyed than protected. We would buy less from our trading partners, they would buy less from us, and the world economic pie would shrink. Recrimination and retaliation would increase.

We left Williamsburg confident that we can build lasting prosperity, but only with hard work, discipline, incentives, cooperation, and competition. And we can build a safer, more peaceful world, but only if our free nations stand together and remain strong. It's not easy, but nothing worth having ever is.

Till next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Remarks on Awarding the United States Coast Guard's Gold Lifesaving Medal Posthumously to Arland D. Williams, Jr. *June 6, 1983*

The President. We're here to honor Arland Williams, Jr. Virtually everyone in the United States knows of his heroism and knows of his deed, but very few, if any, knew his name. Those of us who do know of his bravery have remembered him only as the "unknown hero." And that was in the terrible tragedy that took place down here on January 13th, 1982, when the plane crashed into the bridge and into the ice-covered Potomac. And for a long, long time we have known of the one man who repeatedly handed the line from the helicopter to others that he thought were in a worse situation than he was, saving five people in all. And then when the helicopter went back for him, he was no longer there.

And now an investigation by the Coast Guard and a thorough study has made it known that Arland Williams, Jr., was the

hero who gave his life that others might live. And we have here his family—Arland and Virginia Williams; his son and daughter, Arland and Leslie, and the Vice Commander of the Coast Guard. And we are awarding to him this medal—some 607, I think it is, have been given in the 100 years' history of the medal. There is a gold and silver medal. Two gold were given to other heroes in this same tragedy, two silver, and now this one.

And Time magazine said, "If the man in the water gave a lifeline to the people gasping for survival, he was likewise giving a lifeline to those who observed him." And I think that is true, because all of us had to stand a little taller witnessing this heroic deed and knowing now the man who gets the credit.

And, now would you read the citation?

Vice Adm. Stabile. Mr. President, I'd be happy to.

"The Secretary of Transportation takes pleasure in presenting the Gold Lifesaving Medal posthumously to Arland D. Williams, Jr., for acts as set forth in the following citation:

"For extreme and heroic daring on the afternoon of 13 January 1982, following the crash of an airplane in the Potomac River in Washington, D.C. Mr. Williams was a passenger on an Air Florida 737 that crashed in a blinding snowstorm into the 14th Street Bridge that crosses the Potomac River and connects Washington, D.C. and Northern Virginia. After hitting the bridge, the plane plunged into the frozen waters of the Potomac River. Mr. Williams was seated in the rear section of the plane which was partially above the water. When a U.S. Park Police helicopter arrived to commence rescue efforts, Mr. Williams, although injured, quickly realized that he was trapped in his seat by a jammed seat belt. As the helicopter lowered a line to the survivors for towing them to shore, Mr. Williams, acknowledging the fact that he was trapped, refused to grab the line and passed it on to the other injured persons. The helicopter crew rescued five other survivors and then returned to Mr. Williams. He could not be found as he had sunk beneath the icy waters. By not grabbing the rescue line and occupying valuable time in what would probably have been a futile attempt to pull himself free, other survivors, who might have perished if they had been in the frigid waters much longer, were saved. Mr. Wil-

liams sacrificed his own life so that others may live. Mr. Williams' unselfish actions and valiant service reflect the highest credit upon himself and were in keeping with the highest traditions of humanitarian service."

Signed, Elizabeth Hanford Dole, Secretary of Transportation.

The President. Mrs. Williams, I hope that you'll receive this medal for your son. And to his son and daughter, let me just say you can live with tremendous pride in your father.

Note: The President spoke at 12 noon at the presentation ceremony in the Oval Office at the White House. Mrs. Virginia Williams, mother of Arland Williams, Jr., accepted the medal on her son's behalf. Other participants in the ceremony included the recipient's father, Arland, his children, Arland and Leslie Ann, and his sister, Jean Fullmer, Vice Adm. Benedict L. Stabile, Vice Commandant of the U.S. Coast Guard, Comdr. D. C. Addison, crash investigator, and Senator Charles H. Percy and Representative Daniel B. Crane of Illinois.

Gold and Silver Lifesaving Medals are awarded for personal heroic daring in rescuing or attempting to rescue others from drowning, shipwrecks, or other perils of the water. Only 607 gold medals have been awarded since 1874.

Gold Lifesaving Medals also were presented to Martin L. (Lenny) Skutnik III and Roger W. Olian, and silver medals to Melvin E. Windsor and Donald W. Usher for their heroism in the Air Florida incident.

Nomination of Thomas O. Enders To Be United States Ambassador to Spain

June 6, 1983

The President today announced his intention to nominate Thomas O. Enders to be Ambassador to Spain. He would succeed Terence A. Todman.

Since 1981 Mr. Enders has been serving as Assistant Secretary of State (Inter-American Affairs). He began his Foreign Service

career in 1958 as intelligence research specialist in the Department of State. In 1960-1963 he was visa officer, then economic officer in Stockholm. In the Department he was supervisory international economist in the Bureau of European Affairs (1963-

1966), Special Assistant in the Office of the Under Secretary for Political Affairs (1966–1968), and Deputy Assistant Secretary for International Monetary Affairs (1968–1969). In 1969–1971 he was Deputy Chief of Mission in Belgrade, and in Phnom Penh in 1971–1974. In 1974–1976 he was Assistant Secretary of State for Economic and Business Affairs in the Department. He was Ambassador to Canada in 1976–1979 and in 1979–1981, he was United States Repre-

sentative to the European Communities with rank and status of Ambassador Extraordinary and Plenipotentiary in Brussels.

Mr. Enders graduated from Yale University (B.A., 1953), the University of Paris (M.A., 1955), and Harvard University (M.A., 1957). He received the Arthur S. Fleming Award in 1970. He is married to the former Gaetana Marchegiano and has four children. He was born November 28, 1931, in Hartford, Conn.

Proclamation 5067—Captive Nations Week, 1983

June 6, 1983

*By the President of the United States
of America*

A Proclamation

Twenty-five years ago, the United Nations Declaration of Human Rights proclaimed that “all human beings are born free and equal in dignity and rights.” This reaffirmed an eternal truth that Thomas Jefferson in 1776 wrote into our own Declaration of Independence. Another great thinker, Edmund Burke, observed simply that “the cause of Freedom is the cause of God.” Some twenty-five centuries before, the prophet Isaiah admonished the world “To bind up the broken-hearted, to proclaim liberty to the captives.”

Free people, if they are to remain free, must defend the liberty of others. As the custodians of a democratic tradition firmly established on this continent more than two centuries ago, Americans are deeply committed to the goal of representative government everywhere.

Each year, the United States reaffirms its commitment to the cause of liberty during Captive Nations Week, by reminding all those who are forced to live under the domination of foreign military power and

alien ideology that the United States supports their aspirations for freedom, independence and national self-determination.

The Congress, by a joint resolution approved July 17, 1959 (73 Stat. 212), has authorized and requested the President to proclaim the third week in July as Captive Nations Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning July 17, 1983, as Captive Nations Week. I invite the people of the United States to observe this week with appropriate ceremonies and activities and to reaffirm their dedication to the ideals of freedom, which unite us and inspire others.

In Witness Whereof, I have hereunto set my hand this 6th. day of June, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 4:47 p.m., June 6, 1983]

Appointment of the Membership of the Presidential Commission for the German-American Tricentennial, and Designation of Cochairmen

June 6, 1983

The President today announced the following individuals to be members of the Presidential Commission for the German-American Tricentennial. The President intends to designate Kenneth Rush and Horst G. Denk to serve as Cochairmen. The President also thanks the Chief Justice for his willingness to serve on the Commission in an advisory capacity and welcomes the Chief Justice's participation.

Flora Cameron Atherton, of San Antonio, Tex.;
Richard R. Burt, of Washington, D.C.;
Judith S. Carver, of Peoria, Ill.;
Fred F. Fielding, of Washington, D.C.;
Tobias Grether, of Camarillo, Calif.;
Traute Grether, of Camarillo, Calif.;
F. Otto Haas, of Philadelphia, Pa.;
Preston H. Long, of New York;
Charles Parry Tyson, of Washington, D.C.;
Charles Z. Wick, of Washington, D.C.;
Horst G. Denk, of New York;
Kenneth Rush, of Washington, D.C.;

Upon recommendation by the Speaker of

the House of Representatives:

C. William Kinzeler, of Cincinnati, Ohio;
Goetz Grimm, of Bloomfield Hills, Mich.;
Jurgen Herbst, of Madison, Wis.;
Col. Walter Mannheimer, of Watchung, N.J.;
Judy Zehnder Keller, of Frankenmuth, Mich.;
Carmen Courter, of Hackettstown, N.J.;
Elizabeth S. Gathen, of Bloomfield Hills, Mich.;
Richard Leshner, of Washington, D.C.;
Robert Strodel, of Peoria, Ill.;
Representative Toby Roth, of Wisconsin;

Upon recommendation by the President pro tempore of the Senate:

Senator Charles Mathias, of Maryland;
Senator John Heinz, of Pennsylvania;
Senator Larry Pressler, of South Dakota;
Senator Alan J. Dixon, of Illinois;
Senator J. James Exon, of Nebraska;
Senator Ernest F. Hollings, of South Carolina;
Senator Frank E. Moss (Ret.), of Utah;
Brig. Gen. Ben Lewis Rushing, of South Carolina;
Joy Dirksen Baker, of Tennessee.

Remarks on Greeting the Finalists of the National Spelling Bee

June 6, 1983

Hello there. Well, first let me welcome all of you spellers to the White House and let me compliment you—and that's compliment with an "i" not complement with an "e". I want to compliment you with an "i" on your accomplishments. You're the 137 finalists out of 8 to 9 million students who participated in this National Spelling Bee. That's quite an honor, and you should be very proud.

You know, because of this event, I learned that the study of spelling is called orthography. Orthography—that's o-r-t-h-o-g-r-a- . . . uh . . . p . . . ummm . . . [laughter] . . . ummm . . . h-y. [Laughter]

No, I'm sure you already knew that, and you were just proving it, but I thought I'd give you that just in case they asked for it on Wednesday.

But all of us are proud not only of your spelling ability but of your determination to increase your knowledge. I wish all American students were as interested in their studies as you evidently are and have been. And I wish all teachers and parents took an interest in their children's educational development as your parents and teachers have taken in yours.

Now, on Wednesday, you're going to be feeling the pressure of the competition. But

I want you to know that you're already—all of you—winners in my book and in the hearts of your hometowns. So, enjoy the competition and enjoy your trip to Washington. I hope you've been having some fun and seeing some of the sights here.

I'm told you're on your way to a barbecue. That sounds like fun, so I don't want to hold you up. But, again, let me wish you all the best of luck on Wednesday. And remember, "i" before "e" except after "c." [Laughter] That ought to help a little.

You know, I have to tell you one story. People can get so sure of themselves. I know you must have heard, or read in your studies, about the author of many years ago, Mark Twain. Mark Twain was on a ship going across to Europe. And in the dining

salon that night at dinner, someone wanting to impress him at the table asked him to pass the sugar and then said, "Mr. Twain, don't you think it's unusual that sugar is the only word in our language in which 's-u' has the 'shu' sound?" And Mark Twain said: "Are you sure?" [Laughter]

Well, good luck to all of you, and as I say, you're all winners, and you all have every reason to be proud. So win, lose, or tie, we're proud of all of you. And I maybe have time to just come down and say hello to a few of you here, and I'm going to do that.

Note: The President spoke at 3:36 p.m. in the Rose Garden at the White House.

Remarks at the Welcoming Ceremony for President Félix Houphouët-Boigny of Ivory Coast June 7, 1983

President Reagan. We're privileged to welcome to Washington today one of the world's senior statesmen, a man of outstanding stature and the father of his country—His Excellency President Félix Houphouët-Boigny of Ivory Coast.

On the African Continent and throughout the world, he is known as a spokesman for reason and open communication as the means for resolving conflict and ensuring a better world. We share with President Houphouët this belief in dialog. I look forward to our discussing today, and in many days to come, on the vital issues which face the African Continent and the world.

Ivory Coast itself is an outstanding example of the progress and prosperity that can be achieved in an atmosphere of peace, security, and individual liberty. The President has often emphasized these as the fundamental ingredients of economic well-being and advancement. And we share his conviction—that only in conditions of peace and liberty can a nation achieve lasting economic and social progress.

It's a particular pleasure for me to welcome today the leader of a nation which

has so warmly and graciously welcomed so many of our own representatives. Mr. President, I have received enthusiastic reports about Ivory Coast and its economic vitality and vast potential from Secretaries Baldrige and Block, several Senators, Assistant Secretary of State Crocker, and others. And all of them were struck by the advances your country has made—advances reflecting your commitment to a free economy which encourages producers through a philosophy of hard work and self-help.

There is a saying in Ivory Coast, "If your stomach is empty, ask your hands why." Well, you and your countrymen have worked hard, and in doing so, you've improved your lives and gained the respect of the world. The remarkable progress of your country's agricultural endeavors is a tribute to your enlightened leadership. By making it possible for your farmers to get a fair return for their work and by recognizing the importance of this sector of your economy, you've spared the people the deprivation that has befallen many others.

Ivory Coast has built one of the richest economies in Africa by understanding that

before wealth can be divided, it must be created. Ivorians can be proud of their solid record of economic improvement since independence. At the same time, your income distribution is among the fairest on the continent.

I'm pleased that the American private sector has been able to play a role in realizing what you refer to as Ivorian well-being.

As we welcome you once again to our country, we note that many changes have occurred since your last visit to the White House in 1973. Nations around the globe, including the Ivory Coast and the United States, are struggling to overcome a period of severe economic problems and uncertainty. But together, we can face the future with confidence.

Our two peoples share a desire for liberty and progress that can and will triumph over adversity. So today, let us renew our pledge to each other that as we walk the road to the future, we, the people of the United States and Ivory Coast, will do so as friends.

Mr. President, welcome to the White House.

President Houphouët. Mr. President, it is with great pleasure that I return to your magnificent country, where each of my stays has been a source of discovery and admiration, and has strengthened my confidence in the future.

Your thoughtful words of welcome add to my pleasure, because they are evidence of your friendly interest in my country, and of the strength of the ties that have developed

between the United States and Ivory Coast over more than 20 years.

In extending to me your invitation, which honored me greatly, you were kind enough to tell me how much you value personal contacts between heads of state. I share your view entirely and look forward to being able to discuss with you the problems that concern me and which I cannot conceive of being resolved without effective and forceful steps by the United States of America. That is why I am so keenly interested in hearing your views in regard to the various areas where the fate of humankind is being played out.

Mr. President, I thank you most warmly for having afforded me the opportunity, once again, to greet the American people through you and to express to them the great admiration and friendship of the people of Ivory Coast, who share their commitment to the timeless values of peace and justice.

Long live the United States of America; long live our friendship.

Note: President Reagan spoke at 10:40 a.m. on the South Lawn of the White House, where President Houphouët was accorded a formal welcome with full military honors. President Houphouët spoke in French, and his remarks were translated by an interpreter.

Following the ceremony, the two Presidents and U.S. and Ivorian officials met in the Oval Office.

Appointment of Thomas M. Constant as a United States Representative to the Panama Canal Consultative Committee June 7, 1983

The President today announced his intention to designate Thomas M. Constant to be a Representative of the United States of America on the Consultative Committee established by the Panama Canal Treaty of 1977. He will succeed David H. Popper.

Mr. Constant is currently serving as president of Cycloid International, Inc. He was Secretary of the Panama Canal Company/

Commission in 1972–1980. In 1965–1967 he was Special Assistant to the Secretary of the Army, dealing with Panamanian affairs.

He graduated from the United States Military Academy (B.S., 1946), George Washington University (M.S., 1967), the National War College, and the Command and General Staff College. He is married and resides in Alexandria, Va. He was born July 4, 1925, in Beijing, China.

Toasts of President Reagan and President Félix Houphouët-Boigny of Ivory Coast at the State Dinner *June 7, 1983*

President Reagan. President and Mrs. Houphouët-Boigny, distinguished ladies and gentlemen, it's a special pleasure for me to welcome our guest of honor this evening.

During the 1980 campaign I suggested that the United States should return to some of the basics of free enterprise—policies that would encourage individual responsibility, hard work, and investment. It's taken time, but we're at last overcoming the economic uncertainty that we inherited. I'll have to admit I've always been confident that we would. I just kept telling myself, "It worked in Ivory Coast, didn't it?" [*Laughter*]

Seriously, though, Mr. President, your many successes haven't gone unnoticed here in the United States. Unlike many other countries, some of which are far richer in natural resources, you chose the high road of political and economic freedom. In doing so, you've made Ivory Coast a shining example to the rest of Africa and the world.

Mr. President, your wisdom has been a guiding light for your people and a beacon of reason and modernization in the world arena. You are a leader who stresses dialog as a means of solving even the most vexing problems. You advocate compromise over confrontation, conciliation over conflict. Your humane and democratic values reflect well on the people of Ivory Coast.

During our discussions today we touched on many mutual areas of concern, especially those dealing with the promotion of economic growth. The President had been forced to make tough decisions concerning government spending. Well, I can identify with that. [*Laughter*] And I deeply admire his farsighted commitment to the long-range interests of his people. Today we're confident that closeness and interaction between our two peoples can be nothing but a

blessing for us all.

So, I ask you now to join me in a toast to President Houphouët-Boigny and to the continued friendship between our two peoples that his visit attests to.

President Houphouët. Mr. President, Mrs. Reagan, allow me first of all to thank you for your warm welcome and for all the thoughtfulness that has been shown us since our arrival here. I should also like to express to you our sincere gratitude for your kind words describing Ivory Coast policies and for having affirmed so clearly your desire to develop our cooperation.

One of your predecessors remarked that history has given the United States the role of being either a witness to the failure of freedom or the architect of its triumph. I can only subscribe to that fine thought. Yet the extent of your commitments, the immense responsibility they imply, even for the most powerful nation in the world, might have led me to fear that in a time of crisis, when, especially in your own hemisphere as well as in Asia and the Middle East, problems as worrisome as they are sensitive require all or your vigilance and that of the team around you. I might have feared that your attention might have been diverted from the seemingly less pressing problems of Africa. It was therefore most reassuring for me to note your determination to help Africa to regain its peace and to achieve a prosperity that seems discouragingly ever more remote.

You, Mr. President, said on February 13, 1980, that the United States has an obligation to its citizens and to the people of the world never to let those who would destroy freedom dictate the future course of human existence on our planet. There is no lack of opportunity for the enemies of freedom who find, in poverty and ignorance, the best fuel for their sinister designs. It is,

therefore, important not to neglect any political, social, economic, educational, or cultural sector—any country, and region, any society where there may develop and explode the kind of conflicts that the enemies of freedom provoke or sustain. And since prevention is better than cure, one must also be certain not to allow the perpetuation of unjust situations that foster them.

To be sure, you, Mr. President, have consistently stressed the need for individuals, like nations, to take their problems into their own hands, to assume responsibility for their own future, and to cease to rely solely on assistance, as some at times are all too pleased to do.

In Ivory Coast we have always urged our fellow citizens to rely first and foremost on themselves. But no one can deny that there are individuals and there are nations that are handicapped and cannot emerge from their tragic situation without aid—extended aid. Nor can anyone deny that the world today finds itself in the absurd situation of wasting money on ever more costly weapons—sums of money which, compared to which the amounts of money that go for development assistance, are pitifully small.

And the situation is aggravated by the constant threat of insecurity, which compels the developing nations that have modest, indeed, even inadequate resources to fight simultaneously on two fronts: the development front and the security front, with development too often having to be sacrificed for the sake of security. So, what the developing countries and Africa, in particular, need most is peace and stability, the precondition for any harmonious development.

You, the American people, are the best equipped to recognize the lack of progress of countries that do not enjoy political stability and which are becoming increasingly serious threats to world peace. The best factor for peace is the well-being, the hap-

piness of peoples. Peace and well-being are inseparable.

The West has the means to lend effective assistance to Africa, but that aid will be for naught if our own production efforts are constantly ruined by speculators. To be sure, Africa at present only accounts for 2 percent of world trade. That is not a great deal; we recognize that. But that is the Africa of today. It is not the Africa of tomorrow, the Africa of the future, the Africa we want to build with the West, drawing on our own efforts. Our potential is great.

I should like to quote here that masterpiece of Alexis de Tocqueville, "Democracy in America." In his conclusion he wrote, "I am filled with fears and filled with hopes. I see great evils that can be avoided or contained, and I am becoming ever more firm in my conviction that in order to be honest and prosperous, the democratic nations have only to determine that they will be so."

I could not conclude more fittingly, Mr. President, than by expressing our confidence in the democratic nations, among which the United States holds the most important place.

Ladies and gentlemen, I would ask you to please join with me in a toast to President Ronald Reagan and to Mrs. Reagan to whom I present my most respectful and heartfelt compliments, and also to the happiness and to the prosperity of the great people of the United States and to the friendship between the United States and the Ivory Coast.

Thank you.

Note: President Reagan spoke at 9:33 p.m. in the State Dining Room at the White House. President Houphouët spoke in French, and his remarks were translated by an interpreter.

Message to the Congress Transmitting the Annual Report of the National Science Foundation

June 8, 1983

To the Congress of the United States:

I am pleased to send you the annual report of the National Science Foundation for fiscal year 1982. The report describes research supported by the Foundation in the mathematical, physical, biological, behavioral, social, astronomical, atmospheric, earth and ocean sciences, and in engineering.

The Foundation has a long record of excellence in supporting advancements in science, and last year's accomplishments add to and build upon that record. Achievements such as the ones described here underlie much of this Nation's strength—its economic growth, national security, and the general well-being of our people.

By supporting top quality science projects, the National Science Foundation is part of the national effort to strengthen our great capabilities in research and innovation and the productivity of our industrial enterprise. I hope you will share my enthusiasm for its fine work.

RONALD REAGAN

The White House,
June 8, 1983.

Note: The report is entitled "National Science Foundation Annual Report 1982—Thirty-Second Annual Report for Fiscal Year 1982" (Government Printing Office, 87 pages plus appendices).

Remarks Announcing Changes in the United States Position at the Strategic Arms Reduction Talks

June 8, 1983

Good morning.

The strategic arms talks, or START, as we have named it, officially resumed today in Geneva, and I would like to speak for a moment about my hopes for these important negotiations and about changes which I've decided to make in our START proposal. Such changes reflect concerns and recommendations of the Scowcroft commission, the Congress, and others. They offer the prospect of new progress toward a START agreement.

Before discussing these specifics, I would like to comment on what I see as very positive developments taking place both here and abroad.

I'm happy to say that today there's a growing sense that we're making progress. I just met in Williamsburg, as you perhaps have heard, with the leaders of the major industrialized nations, and I was struck there not only by the facts and figures

pointing toward economic recovery but also by a spirit of optimism and cooperation which was remarkable. This same spirit is visible in our discussion on security issues.

In NATO, as in other alliances, there's a new feeling of partnership. The Atlantic alliance is alive and well, and its close consultations are a source of strength and participation for each of its members. At least as important, and very gratifying to me, is the new spirit of bipartisanship on national security issues which is increasingly evident in both Houses of Congress.

When I established the Scowcroft commission, I could not then foresee the impact that this outstanding panel would have. Clearly, the Commission's work, which went beyond MX to address critical issues of deterrence and arms control, has become a major stimulus to the rethinking of national policy. The Commission's report challenged some favorite assumptions and

called for changes in our strategic planning. At the same time, it expressed support for my administration's most heartfelt objectives in arms control—deep reductions, modernization for stability's sake, and the elimination of the first-strike threat.

I have pledged to Congress my full support for the Scowcroft commission recommendations and my intention to incorporate them in our START proposal. So that we can continue to benefit from the wisdom of its counsel, I intend to ask the Commission to continue to serve. Its bipartisan membership will thus be able to provide timely advice to me, both with respect to the adoption of its proposals into our defense program, and our arms control policies.

In recent weeks, I and officials of my administration have had an extensive series of private meetings with many Members of Congress. We've reviewed implications for the START negotiations of the Scowcroft commission recommendations and also of the mutual guaranteed build-down advocated by a number of distinguished Members of the Congress. The review of our START position was capped by four recent meetings, three yesterday and one today.

Yesterday morning at a meeting of the National Security Council, my senior advisers and I reviewed major implications and options. We also considered a range of congressional viewpoints. Yesterday afternoon I met with groups of Senators and Congressmen whose interest and expertise in arms control I value highly. I discussed with them the major issues before us. And this morning, I met with the leadership of both Houses of the Congress. And throughout the START negotiations, the administration has consulted with our allies.

Three full rounds of negotiations of START are now behind us. It's my judgment that these rounds have been useful and have permitted us to cover necessary ground. However, due largely to Soviet intransigence, we have not yet made meaningful progress on the central issues. I remain firmly committed to take whatever steps are necessary to increase the likelihood of real, substantive progress toward an agreement involving significant reductions in U.S. and Soviet strategic nuclear arsenals

and in the national security interests of both sides.

Above all, our goal is to maintain a stable nuclear balance in order to reduce the risk of war. Our efforts in the START negotiations must be guided by that objective.

The report of the Scowcroft commission offers us a new opportunity for progress. It has provided a consistent and coherent framework to guide our thinking about the fundamental elements of our national security policy—deterrence, defense, and arms control. But more than that, it has provided the basis for renewed, bipartisan support for that policy.

To capitalize on this critical opportunity and on the basis of the widest possible range of advice, I have directed new steps toward progress in achieving real arms reductions at the START negotiations. The purpose of this guidance, provided to Ambassador Ed Rowny, our Chief START Negotiator, is to adjust the U.S. START position to bring it into line with the Scowcroft commission's recommendations and to provide additional flexibility to our negotiators in pursuing our basic goals.

Although we have put forth a comprehensive proposal on limiting strategic ballistic missiles and bombers, our primary aim in the START negotiations has been, and continues to be, to reduce the threat posed by the most destabilizing systems, namely ballistic missiles. To achieve that aim, measures that constrain the number and destructive capability and potential of ballistic missile warheads are essential. Our proposed limit of 5,000 total ballistic missile warheads—a reduction by one-third of the current level—remains the central element of the U.S. START position.

The U.S. START position tabled in previous negotiating rounds includes another constraint. It would have limited each side to no more than 850 deployed ballistic missiles. This measure was never viewed as being as useful or important a constraint as the limit on total ballistic missile warheads. The Scowcroft commission report specifically suggested that it should be reassessed, since it could constrain the evolution we seek towards small, single-warhead ICBM's. Acting upon the Commission's recommen-

dation, I have now directed our negotiators to adjust our position on deployed ballistic missiles by relaxing our current proposal for an 850 deployed ballistic missile limit.

At the same time, the United States remains firm on the point that the destructive capability and potential of ballistic missiles must be addressed in START. Our current position includes a network of constraints designed to lead toward a more stable strategic balance at reduced force levels while addressing the destructive potential of missiles.

The Soviets and others have complained that these constraints are designed to dictate Soviet force structure according to U.S. standards. This is not the case. We believe, as does the Scowcroft commission, that ability—or stability—can be increased by limitations on the destructive capability and potential of ballistic missiles. As a consequence, we will continue to propose such constraints which indirectly get to the throw-weight problem, while making clear to the Soviets our readiness to deal directly with the corresponding destructive capability, if they prefer.

There may be more than one way to achieve our objective of greater stability at reduced levels of arms. So, I've instructed Ambassador Rowny to make clear to the Soviet delegation our commitment to our fundamental objectives, but I have also given him the flexibility to explore all ap-

propriate avenues for meeting our goals. I sincerely hope that the Soviet Union will respond with corresponding flexibility.

Finally, high priority work is continuing on how the mutual and guaranteed build-down concept proposed by several United States Senators can be applied in our quest for significant and stabilizing strategic arms reductions.

These actions reflect a bipartisan consensus on arms control and new flexibility in the negotiations—steps to be viewed by the Soviets and all others who have a stake in world peace. To the leaders of the Soviet Union, I urge that this new opportunity not be lost. To America's friends and allies around the world, I say that your steadfast support for the goals of both deterrence and arms control is essential in the future. To Congress and to the American people, I say let us continue to work together in a bipartisan spirit so that these days will be spoken of in the future as the time when America turned a corner. Let us put our differences behind us. Let us demonstrate measured flexibility in our approach, while remaining strong in our determination to reach our objectives of arms reduction, stability, and security. Let us be leaders in the cause of peace.

Thank you.

Note: The President spoke at 11:02 a.m. in the Rose Garden at the White House.

Remarks on Greeting the Philadelphia 76'ers, the National Basketball Association World Champions

June 8, 1983

The President. Well, thank you very much, and welcome to the White House. It's a real pleasure to play host to a team and a basketball family that have come to symbolize America at its best. With your dogged determination, your high style, your fierce competitiveness, and your great talent, you've given new meaning to the "Spirit of '76."

You came so close to winning the championship so many times before, others

might have become frustrated, but none of you gave up. Your owner, Harold Katz, was determined to do whatever it took to gather the best players into the club. Your coach, Billy Cunningham, played on the last Philadelphia championship team, so he had the vision. But you, the players, are the ones who put it all together with your individual effort and team spirit.

I know that Dr. J [Julius Erving] and Moses Malone—"Mr. Four, Four, Four"—

are two of your brightest stars, but it took every one of you pulling together to make this dream come true. Your regular season was nothing but awesome—65 wins with only 17 losses—and your performance in the playoffs set a new NBA record. I think Coach Riley of the Lakers put it best when he likened your playoff style to “controlled fury.” And he should know, since he was on the receiving end.

But whenever people excel the way you have, it's usually because they burn for excellence somewhere down deep inside. I remember once reading that Dr. J said he put the most pressure on himself because of his ambitions to be the best basketball player ever. “What happens around me,” he said, “can't put any more pressure on me than that.” Well, your team history of come-from-behind striving tells me that you felt that internal pressure as a team. You were determined to be the best, and because of that, today you are. I can't think of a better example of the American dream come true.

On behalf of your admirers—which by now include all Americans—thank you for a thrilling season, those spectacular playoff games, and the inspiration that you provided all of us to find the best within ourselves.

Before I close, let me wish the youngest rookie on your team, Mark McNamara, happy birthday, and tell all of you how sorry I was that I wasn't able to phone you the night you won the championship. But there's always next year, and I won't forget. I owe you one. [Laughter]

Thank you very much.

Mr. O'Brien.¹ Mr. President, on behalf of the NBA, I want to express our deep appreciation for your invitation to the World Champions and the NBA here today. It's wonderful of you to do it, and I'm sure fans throughout the country and the world are equally appreciative. Thank you.

And I've been told that there are occasions when you do a little refereeing here, and I want to present to you, therefore, an official referee's jacket which you can wear on those occasions when Tip and the rest come down to visit you. [Laughter] And it is

the official referee's jacket. So, now you are an honorary referee in the NBA, Mr. President.

The President. Well, I thank you very much. You mean—you wouldn't mean there aren't enough people mad at me already? [Laughter]

Mr. O'Brien. I want to present to you, Mr. President, the owner of this great team, the World Champion 76'ers, Harold Katz.

The President. Yes.

Mr. Katz. Mr. President—

Mr. O'Brien. Go ahead, Hal.

Mr. Katz. Mr. President, on behalf of the whole team, we thank you for bringing us here today. And we're deeply honored by it. And Moses Malone has a ball for you.

The President. Hey—and all autographed.

Mr. Katz. And Julius Erving has your number—number one.

The President. Thank you very much.

Mr. Katz. And this is for you, President Reagan.

The President. Hey.

Mr. Katz. Now, they told me that you're very strong on defense, so you'll fit in on our team. [Laughter] So, maybe you might make the starting lineup next year. [Laughter]

The President. Okay.

Mr. Katz. Thank you very much.

Mr. Erving. Thank you very much, Mr. President.

Mr. Malone. Thank you.

The President. Well, listen, thank all of you. And I'm very proud to have these things.

Mr. Erving. Thank you.

Mr. Malone. Thank you.

The President. You bet. Well, we're all proud of you, and I did—later, and on a replay—get to see some of the last few minutes of that all-important game. And all it did was just make me wish to hell I'd seen the rest of the game. [Laughter] All right.

Well, thank you all very much, and congratulations.

Mr. Katz. Thank you.

Mr. Erving. Thank you very much.

Reporter. Throw the ball! [Laughter]

Mr. O'Brien. Thank you again, Mr. President.

The President. On the lawn?

¹ Lawrence F. O'Brien, commissioner of the National Basketball Association.

Q. No, sir. In the air. [Laughter]

The President. If I'd have known that, we could have had baskets put up here—both ends. [Laughter]

Mr. O'Brien. Just about the right size.

The President. Yes.

Mr. O'Brien. This, ladies and gentlemen, is the World Championship Trophy, that now becomes the permanent possession of

the 76'ers. It was designed by Tiffany. It is gold. And we protect it at all times. [Laughter]

The President. I'll bet they don't think I could. [Laughter]

Note: The President spoke at 11:54 a.m. to guests and reporters assembled in the Rose Garden at the White House.

Appointment of M. Lester O'Shea as a Member of the National Advisory Council on Adult Education

June 8, 1983

The President today announced his intention to appoint M. Lester O'Shea to be a member of the National Advisory Council on Adult Education for the remainder of the term expiring July 10, 1983, vice Purnell Swett, and for a term expiring July 10, 1986, reappointment.

Mr. O'Shea is currently serving as managing partner of General Western Co. in San Francisco, Calif. He founded this company

in 1970. Previously he was with First California Co., Inc., in 1966–1969; and with Dean Witter & Co. in New York.

He graduated from Stanford University (B.A., 1959) and Harvard Business School (M.B.A., 1963). He was a Fulbright Scholar at Oxford University in 1959–1961. He resides in San Francisco, Calif., and was born December 6, 1938.

Question-and-Answer Session at a Regional Forum of the National Commission on Excellence in Education in Hopkins, Minnesota

June 9, 1983

Secretary of Education Bell. Following on the analogy of passing the baton, I'd like to ask Steve¹ if he would ask you, Mr. President, the first question.

Mr. Englund. Mr. President, you're going to be hearing some specific questions dealing with the Commission's report; but, as long as I've been selected to ask the first question, I'll open with a very general one. Do you agree with the report to the Commission on Excellence in Education?

The President. I have agreed and approved the report in its entirety. I think it is an outstanding thing. I think that the whole country, those who have had an op-

portunity to read it, or a summary of it, it is causing great debate, but also great agreement that most people—I think it has touched a nerve, an American nerve in the whole population.

Secretary Bell. Thank you, Steve. Do you have any followup comment? [Laughter] Thank you very much.

The President. You mean, Steve, that you've never said to yourself, "If I had a chance to ask him I would—" [laughter]—

Secretary Bell. I think, Mr. President, Steve is as nervous in responding as the chairman is here in presiding over this. [Laughter]

The President. He's nervous. [Laughter]

Secretary Bell. Charles Johnson is a super-

¹ Steve Englund, Presidential Scholar from Hopkins High School, Hopkins, Minn.

intendent of schools in Illinois. And I had talked to Charles earlier, and he has a question that he'd like to ask you, Mr. President.

The President. All right.

Mr. Johnson. Mr. President, increased salaries for merit pay, incentives for master teachers will cost millions of dollars. The Commission has properly noted that excellence does cost. What is your administration prepared to do to assist the States in meeting these costs?

The President. Well, first of all, this whole question of cost in education, and I think there's a lot of misunderstanding about it—I recognize it would cost more for this. At the same time, I believe that if such a plan is instituted, then in budgeting you take care of that and, at the same time, possibly see whether there are other things of much lower priority.

I happen to believe in it very much, the idea of merit pay. As Dr. Gardner² has said on occasion—that teachers grade students, ought to be able to grade each other. And how else do you provide an incentive for attracting the best and the brightest into teaching as a profession unless they can see a future more than just a salary scale that is laid out for the rest of their lives and careers no matter how good they might be? But then, we find a way to do it.

There is one thing that I think I should take advantage of you, and call attention to this fact—that in the last 20 years, spending on education in this country has gone up 600 percent. Now, many could say, "Well, that was because of 20 years of continued inflation." But look at it in constant dollars. In that same period of time, the per-pupil cost in education—in constant dollars, allowing for inflation—has nearly doubled. And in that same period of time, we know, are when the problems have arisen that are confronting us. So, you have to say, "Is just purely money an answer, or don't we have to look deeper for some of the answers to the problems we have in education?"

I know that it can be done, and I know this comes down to always the view is, "Well, Federal Government." The amount

of money in education today, incidentally—with regard to the reaction to a previous statement—is that in 1982 the total budget for national defense was \$179 billion. It was 215 billion for education. And I don't fault that at all. Education is truly important and as important to our national security as defense. But we can't neglect either one of them.

But I think that the whole question of school funding comes down to one of laying out the layers of government. We built the greatest public school system the world has ever seen, and we built it at the local school level—local, the State, and the Federal Government. And right now, they've been lined up vertically. And it's local and State, and then on top is the Federal Government, which only provides 8 percent of the educational budget, but which has, kind of, grabbed off about 50 percent of trying to regulate the schools.

Dr. Crosby,³ there, could show you some startling figures about one of the things that I'm proud of that we've accomplished—how much less paper he has to fill out with regard to Federal paperwork and requirements than he did a couple of years ago.

Secretary Bell. He just wants me to cut out the rest of it, Mr. President. [Laughter]

The President. But I think that then you work out in this the—I said that we were vertical; we ought to be horizontal. We should be looking at what properly belongs for decision at the local level, what is the proper place for the State, and what is the proper place for the Federal Government—its interest in education and its responsibility—and look at them in that way; and then, proportionately to their responsibilities, expect the support of schools to be laid out in that same way.

But I'm talking too long. I'll quit rambling.

Secretary Bell. Thank you, Mr. President, and—appreciate that question.

The next questioner here that wants to ask a question of you, Mr. President—we could all ask a question of him, he's sup-

²David P. Gardner, Chairman of the National Commission on Excellence in Education.

³Emeral A. Crosby, member of the National Commission on Excellence in Education.

posed to have the answers. He's head of the Illinois School Problems Commission. [Laughter] He's also a member—he's a State representative in the Illinois Legislature—he made a great contribution, incidentally, in our deliberations here—and he's assistant minority leader in the House in the Illinois Legislature—Gene Hoffman. And your question, Gene.

Mr. Hoffman. Thank you, Mr. Secretary.

Mr. President, you've endorsed the recommendations in this report. How do you see, or how do you perceive the Federal Government responding to the recommendations in this report? In other words, what role do you see for, at the Federal level, for responding to the contents of this report?

The President. Well, the Federal Government—I have some notes here on some of the things. First of all, a meeting of this kind is an example of one of the things. And, as Secretary Bell has reminded you, there are going to be a series of these at the regional level around the country.

We're doing a number of things at the Federal Government that have come out of the things in this report by the Commission on Excellence in Education. We're going to—Secretary Bell is going to hold meetings with government officials and Governors at the State levels throughout the country. We're also going to have meetings at the private sector to find out what more the private sector can do.

And I would like to point out that already, as a result of this report, there is a thing sweeping the country of businesses and neighborhood groups and communities adopting schools for whatever help they can be to the schools—not only in, maybe, in financing some special projects but also in bringing the outside world into the school, where, for example, business and industry might be able to offer something to the students with regard to their own decisions they have to make on what they're going to do with their lives.

There are a number of things here that we've laid out in this program, and we want to bring it to a national debate for all the people of the country to be familiar with it, and particularly the parents and the teachers. And so, all of us are stepping up our efforts in that regard to promote it.

Secretary Bell. I'm very grateful that we have education now up where it's high on the education agenda of this country. It certainly has occupied a great deal of nationwide importance. And we're grateful to you, and those in the discussions today Mr. President, express their appreciation for the fact that we do have education now such a high priority. And I know it's because you've participated in events like this one, and we appreciate that.

Well, those are the—

The President. Could I just—

Secretary Bell. Yes.

The President. Could I just ask you—

Secretary Bell. Yes.

The President. —to do something else—because I know I left out a half a dozen of the things that we are doing. I know we're promoting legislation having to do with excellence in certain lines of teaching.

Secretary Bell. That's correct.

The President. Could you fill in what I left out? I won't be offended. [Laughter]

Secretary Bell. Well, we have a number of other initiatives. We'll be announcing soon a major effort in the area of adult illiteracy. That'll be coming at the latter part of this month, and I discussed that with you earlier. And that will be launched, and we'll be involved to try to help the huge number of adult illiterates we have in this country. And that's highlighted in the report.

Another thing we're doing is—as you recall in your State of the Union message, you recommended a block grant for mathematics and science. And that legislation is moving through the Congress, and we'll be able to offer some scholarships under a block grant basis to add further momentum in that direction.

We're also examining, Mr. President, the Student Financial Aid program to see if we can work in, as that bill is up for renewal, to see if we can work in some emphasis in the student aid program as we rewrite it, where we can encourage more gifted and talented and promising young people to move into teaching so we can increase the supply of teachers.

So, those are just starters. We're looking at our entire budget and our entire legislation to see what we can do with some of

the resources we have and looking at some of the other block grants that we're now getting ready to propose to Congress and see if we can work into some of them some legislation to fund these efforts. So, we do have quite a number of initiatives like that moving forward.

The President. Ted, I wonder if just—if I could interrupt for a second and say to many people who might not understand the significance of calling it a block grant. There's a Governor here and a former Governor here—and I was a former Governor also—and from that vantage point I think we can tell you that so much of Federal spending, grants to States or to local communities, comes so belabored and loaded down with redtape and regulations as to how every dollar of that money must be spent that you find out that a great deal of it is wasted in the spending.

Our idea of switching to block grants is to give you a block grant and say, "Here. This is for this general idea. You spend it the way you think it'll do the most good. We won't tell you how."

Secretary Bell. Thank you, Mr. President. I'm getting numerous testimonials now on the first block grant that you got passed in the fall of 1981 from superintendents expressing their appreciation for the flexibility that they have in that regard.

Now, as I look at my watch, Mr. President, I was told that we could have 30 minutes of your time, and we're almost out of that. We thought, turnabout, you ought to have an opportunity to ask some of these panelists a question. And if you have any summary comments that you want to make, Mr. President, before you have to leave, we'd appreciate hearing that.

The President. Well, I didn't really come to ask them. But I have one right here that I would ask David Gardner about. And it gets back to one of the first subjects that was here today: that is, can we evaluate teacher performance, can we do this and pay for outstanding performance? And, as to the first part of the question, if you can evaluate it at the college and university level, why is it that some say that it can't be done in the public schools, and can it?

Mr. Gardner. Mr. President, this issue was discussed at very considerable length by the

Commission in the course of its deliberations. We took testimony on this issue. We had commissioned papers on it. And we offered a recommendation in our report which was intended to foster the development of performance-based compensation for teachers.

I'm well aware of the arguments that are being advanced against that recommendation, the most prominent of which is that such judgments are difficult to make, give rise to the possibility of arbitrariness on the part of administrators and so forth. But I think it's fair to say that, to the Commission at least, the most arbitrary assumption one can make is that there are no differences among people, that everyone is equally possessed of the same level of competence and commitment. That, surely, is arbitrary.

To say that, on the other hand, that it can be done doesn't mean it's easy. But every profession undertakes to do it. The trades undertake to do it. And it seems to me, the profession—the teaching profession, itself—has the principal burden of coming forth with a set of recommendations and criterion procedures that will permit that evaluation to occur in ways that are comfortable to the profession, and responsive to the basic and genuine talents and competencies of the teachers in the classroom.

The surest ways to drive out able teachers is to reward the least able as much as those who are the most able. And I think we tend to have that experience more than we would prefer. And the evidence that the Commission's received tends to corroborate that.

At the higher education level, it's done routinely. We have assistant professors, associate professors, full professors. We have a career ladder. Peer evaluation is undertaken. Judgments are made about the worth of one professor as against another. And compensation flows from those decisions. It does seem to me, however difficult it is and however possible it might be for error to creep in, the greatest error is to assume that everyone is equally competent and equally committed when, in fact, we know they are not.

Secretary Bell. Now, Mr. President, as I look at my watch, it looks like we've about

spent our time. If you have any final comments here or any additional questions you want to raise, I was admonished that we had to be concluding this so you could meet your other commitments. But any comments or any summary that you want to give, I just express, on behalf of everyone here, our appreciation for your coming and your participation in this panel. I think this is a panel discussion we'll all remember for quite awhile.

The President. Well, Ted, I don't know that I contributed that. You were doing just fine here in all of this.

I would like to take advantage of you too—in a little self-defense here, the word “budget”—or term “budget cut” has been so widespread, and I usually find it applied to me. [Laughter] And the truth of the matter is we haven't cut any budgets. What we've done is reduced the proposed increase in the budgets. But each budget is still bigger than the last one.

And, for example, I have had students accost me that we have reduced their ability to get help. Well, for a fellow that worked his own way through school, I understand the problem of students that have to. I must say, it wasn't too arduous. I washed dishes in the girls dormitory. [Laughter] But right now, \$5.9 billion was the Guaranteed Student Loan program in 1982. It was 6.6 billion in '83. And we've asked for 7.2 billion in '84. That's a 22-percent increase in just 2 years.

The proposed Federal spending for disadvantaged and handicapped children in public schools is \$4.1 billion, and that's the highest level of funding in the history of the program.

We have removed—and the thing that I mentioned with regard to Dr. Crosby—we have removed 30 sets of regulations at the State and local level, which as we figure them out has reduced by 191,000 person-hours of work the administrative process of filling out those papers.

And I'm going to leave that, and I think the best concluding thing, if it hasn't been done here—I'm so proud of this Commission and what they have accomplished. And they know and will agree better than anyone else, we didn't ask them what party they belong to when they were appointed,

and I didn't suggest anything to them. I figured they all knew more about the subject than I did. And the result is their program.

But this I thought you might just be interested in hearing a little review of what's happened already. The Florida House has passed the Commission's basic curriculum. The Senate in Florida's passed a different bill, and they're in conference now working out their differences. The board in Ypsilanti, Michigan, has voted to extend the school year. This is directly attributable to the Commission report.

The board of Temple University requested its president's advice on implications of the Commission report for Temple's School of Education. Oregon—the State Board of Higher Education is ready to take final action on college and university entrance requirements which almost completely parallel the Commission's high school graduation requirements. They would require 4 years of English, 3 years of math, 2 years of science. The Commission recommends, I think—

Secretary Bell. Three years.

The President. —3 years of social studies and 2 additional years of college prep courses. The Commission recommends 2 years of foreign language.

Governor Charles Robb of Virginia has called on the State Board of Education to adopt the full slate of recommendations made by the National Commission.

In the State of Utah, a new high-level organization called HOPE—Helping Organizations in Public Education—has announced they will use the Commission's report to promote improvements in the Utah schools. And the group is made up of the State PTA, the Utah Education Association, the Utah School Board Association, Society of Superintendents, and the State Board of Education.

In the State of Illinois, high school graduation requirements have recently been increased in a 110-to-6 vote for which the Commission report was cited. Three years English, 2 years math, 2 years science, and 2 years social studies. One year should be American history.

Washington State Board of Education

unanimously approved a plan to upgrade high school graduation and requirements. It tripled the minimum credits necessary in science from two to six, doubled the minimum in mathematics from three to six, added a year in English. Battle Creek, Michigan, School Board is reviewing the text of the Commission's report to determine implications for school district policies.

And, as a direct result of the report, Chelmsford, Massachusetts, School Board will consider new classes for the gifted, which has been dropped in recent years. Probably the most neglected students in our educational system in recent years have been those with special aptitudes and talents.

And it's just—I just have a feeling that maybe a generation that went through the Great Depression and the Great War, World War II, maybe thought we ought to make things easier for our children. Maybe

we're partly responsible for what has happened, and we've thought that they should enjoy things more than sometimes have to work at things. And, in effect, what I'm saying is maybe a lot of us put together have shortchanged those wonderful young people that are sitting up there, and, God bless them, let's stop doing that and give them a good running start in that relay race they're going to enter in a few short years.

Secretary Bell. Thank you very much.

Note: The President spoke at 2:50 p.m. in the gymnasium of the Hopkins-Eisenhower Community Center.

The regional forum, the second of 11 planned to be held around the country, consisted of a day-long program of panel discussions and group sessions on the findings of the National Commission on Excellence in Education. The President was present for three summaries of the forum's proceedings, after which he participated in the discussions.

Interview With Stan Turner of KSTP-TV in Minneapolis, Minnesota June 9, 1983

Strategic Arms Limitation Talks

Q. Mr. President, there has been a good deal of praise since your announcement yesterday concerning a new flexibility with respect to our negotiating position at the arms reduction talks in Geneva. A lot of people think it's the right medicine at the right time to get these talks moving toward a favorable agreement with the Soviets. But part of our position requires the Soviets to destroy, do away with, nearly two-thirds of their heavy missiles. Do we have any signs, any indication, inkling that they'll go for this feature?

The President. Well, both sides, according to our proposal, are going to have to do away with some of their weapons. I think what you're referring to is a thing—on which we can be very flexible—and that is whether there is a sub-limit. I doubt very much that there will be much of a problem about the mix of weapons. The whole—our

whole aim is a reduction in the number of missiles for both sides to the 5,000 limit and a reduction in the destructive power. This is another place in which they are superior to us.

Q. Do you detect a new spirit of compromise in the Kremlin, especially since Ambassador Harriman's trip?

The President. Well, that, or before it. The thing that makes me hopeful is that the Russians, who so many times just simply say "nyet" to everything, they did in previous meetings propose a lower figure than they presently have. And at least that's a starting point. We're willing to come up from the figure that we had, as I indicated yesterday, and so if one's the Moon and the other's green cheese, maybe we can meet some place in between.

Possibility of U.S.-U.S.S.R. Summit

Q. Mr. President, is it possible or is it now

probable that you might have a summit meeting with Mr. Andropov between now and, say, next summer?

The President. I think it's possible. The only thing—there's no reluctance on my part to have one, except that there's a great danger if you have a meeting simply to have a meeting and get acquainted, and then everyone says, "What happened in the meeting?" And you say, "Well we got acquainted."

I think we have to have an agenda. And I think it has to be one in which both sides have agreed that they're really going to try to settle some of the issues between us.

July Tax Cut

Q. Okay. July 1st, a Federal tax cut is scheduled to take effect. In the past week, Speaker O'Neill has been demanding that a ceiling be put—a \$700 ceiling be put on the maximum amount that any taxpayer can receive under this cut. He apparently wants to soak the rich or the wealthiest taxpayers more. Are you going to tamper in any way with this tax cut?

The President. No, I'll fight to the death against that tax cut. And I'd like to point out that this whole thing about whether—soak the rich or something else—he had set the figure at \$50,000. Under his proposal, a married couple that have a \$35,200 income would find that their top bracket now is 33 percent. It would go to 37 percent under—or it will be 33 percent when the tax cut goes into effect.

At \$48,000 and something, the same married couple would find that they go from 38 percent up to 42 percent under his proposal. And this isn't up to the \$50,000 mark, and they're losing money. Seventy-two percent of all of the tax relief in this coming tax cut on July 1st will go to people below \$50,000.

Now, when you stop to think that with our graduated income tax the top 10 percent of earners in this country pay 50 percent of the total amount of tax and the top half, the top 50 percent of earners pay 93 percent of the total tax, I think it's only fair that a tax cut goes across the board, "even Steven," the same percentage cut for everyone.

Inflation

Q. Your top budget people are warning that the money supply is growing too fast, and there's a fear, at least among some of them—Stockman and Feldstein—that we could be headed for more inflation. Are you worried about that at this point?

The President. Not really, because I think that there's no question the market's been a little frightened by a surge there. And probably what makes them worried about that is the 1980—before we got here, there was a giant surge, and that was the one that took us up to 21.5 percent interest rates and so forth. And then the string was pulled very firmly—1981—bringing it down. In fact, if that string hadn't been pulled for so long and so hard, we might not have had the depth of recession that we've had.

But it is a kind of an uneven thing. It isn't something that you can actually specify and say it's going to grow exactly at this amount—the money supply. And a few weeks ago, there was something of a surge. The Fed has immediately moved on that, and I don't anticipate that.

Chairman of the Federal Reserve Board

Q. Sir, speaking of the Fed, will it be Mr. Volcker continuing, or might it be Mr. Greenspan? Can you give us any clue?

The President. All of that argument and speculation—we haven't even gotten around to making a decision yet.

Education

Q. Okay. You're well aware that State and local governments, school districts, say they're strapped for money badly these days. Under the recommendations of the Commission which you appointed on Excellence in Education, part of the recommendation is for the Federal Government—all levels of government—to help finance this. Are you satisfied that local governments can, in fact, find the money it's going to take to implement the longer school days and the back-to-the-basics curriculum that the Commission recommended?

The President. Well, the Commission report also made it plain that just throwing money at it isn't the answer. Right now, the highest tax finance program in the United

States is public education—some \$215 billion. And incidentally, it has increased over the last 20 years, when everyone is so concerned about the decline in education, funding for education has increased by 600 percent. And in that some period, allowing for inflation in constant dollars, we have added a \$66 billion increase in constant dollars over that same period in the per capita cost for each student.

So, I don't think that money is the problem. But what is necessary is to work out Federal, State, and local, and what are the proper functions for each to perform in education, and then have the responsibility of funding those.

Now education is basically a local and State function—always has been and always should be. At this moment, the Federal Government only supplies 8 percent of the total educational budget, and yet, one of the problems has been that over the years the Federal Government for that 8 percent has wanted about 50 percent of the control of the schools.

President's Decision on Seeking Reelection

Q. Sir, the economy is rebounding. There's a business recovery in progress. And the Williamsburg summit appeared to

go very well. Your health looks great. You look wonderful.

The President. I feel good, thank you.

Q. You seem ideally suited to a man who would be up for reelection. Can you give us some idea of what your thinking is—[*laughter*]*—on seeking a second term right now?*

The President. [*Laughter*] Well, my thinking, basically, is that it is far too early for anyone of my position to announce his intentions. [*Laughter*] And I can tell you why. If I did, and the answer was “no”, then it wouldn't do me any good to ask Congress for anything. I'd be considered a lameduck. And if I said the answer was “yes” at this point, the media—forgive me—but the media, very largely would be tagging everything I did, including a trip to Minneapolis, as political in nature.

Q. When can we expect to know?

The President. I haven't even really decided on that.

Q. All right. Mr. President, thank you very much.

The President. You bet, thank you.

Q. I appreciate it.

Note: The interview began at 3:47 p.m. in the Hall of the Cities at the Leamington Hotel.

Remarks at a Dinner Honoring Senator Rudy Boschwitz in Minneapolis, Minnesota

June 9, 1983

Thank you all very much for a warm welcome, and thank you, Kay. Mr. Toastmaster, reverend clergy, Senator Boschwitz, and Representative Frenzel:

You know, ladies and gentlemen, when you've been President for a short time, as I have been, you sometimes forget or overlook the power of the Presidency. But it really came home to me tonight when I saw Rudy with a necktie on. [*Laughter*] We're all here tonight to honor a man who made the flannel shirt famous in Washington. [*Laughter*]

I'm sorry, though, that I couldn't have been here for your beautiful Minnesota

winter. [*Laughter*] Rudy says I only missed it by 15 minutes. [*Laughter*]

Well, we had some terrible snow storms in Washington this year, too. But it didn't really last there. As you know, we have a lot more hot air blowers. [*Laughter*]

The first time that I was ever in your city was as a young sports announcer, to broadcast the University of Minnesota homecoming game with the University of Iowa. And I moved into the press box and looked down on the green field surrounded by a snow bank about 4 feet high. [*Laughter*] That was my first glimpse. Today was quite a bit different, and I'm sure you all felt the

same way.

But I do feel very much at home here in your lovely farm and dairy country. I'm a rancher myself. I take a little kidding now and then in Washington about our ranch. But you know, even some Midwesterners admit that cattle fit right into the California scene. They stand around all day in the sun, no clothes on, eating salad. *[Laughter]* I just want to assure you that cows in California are the same as cows in Minnesota. *[Laughter]* Except, of course, in California, they have their teeth capped. *[Laughter]*

But you know, talking about—and Rudy spoke here about the agricultural section here and what a contrast that is—I have a little hobby I've picked up lately, now that there are as many defectors as there are. I love to collect stories that can be validated as being the stories told by the Russian people among themselves and which reveal a certain cynicism about their government. And the most recent one happened to deal with a farm.

The Commissar, visiting the collective farm, said to one of the workers, "How are conditions here?" "Oh," he says, "great. I've never heard anyone complain." He said, "How about the crops?" "Oh," he said, "the crops are great, never been better." "What about potatoes?" He said, "If our potatoes were piled up, they would reach the foot of God." And the Commissar said, "This is the Soviet Union. There is no God." He says, "That's all right, there are no potatoes." *[Laughter]*

But it's wonderful to be here in a special State with a special Senator. We'll be visiting a number of Republican Senatorial candidates in the days ahead, but I want you to know that this visit is one of the most important. Like you, I can kid Rudy Boschwitz about his flannel shirts, but all of us who are Rudy's friends, and who are here tonight, are here because in our eyes he exemplifies something special about our way of life, something we like to believe is true about America.

You know—and it's been referred to here tonight—about Rudy's personal story: a son of immigrant parents with big dreams and an even bigger capacity for the faith and hard work that made those dreams come true. And today he is known as Minnesota's

likeable, easygoing Senator, but believe me, Rudy, you're not fooling anybody. We're proud of you not just for being the warm and generous person you are, but also for being a shrewd and highly intelligent public servant who has had a great first term looking out for his State's concerns and for his country's ideals.

It didn't surprise me at all that in his few minutes here at this podium he spoke of the agricultural sector in Minnesota. When I mention his State's concerns, I mean that Rudy has been a major force on agricultural policy in the United States Congress. He's never forgotten what the industry means to this State, and he's fought hard to see that Minnesota's farmers get a fair break in Washington.

On the problems of the dairy industry, especially, he's brought insight and concern to our discussions. No one in public life has more to say on these issues than Rudy. We may not agree on everything all the time, but let me tell you, I always listen to Rudy Boschwitz.

I can assure the farmers and dairymen that no administration will ever take their problems more seriously or work harder for solutions than this administration. And I can also assure them that they couldn't have a more able advocate or harder fighter on their side than Rudy Boschwitz.

Rudy has kept in mind what you and I should remember tonight: What happens to the economy in Minnesota is directly related to what happens in our nation as a whole. If the national economy is on an upswing, that means good times everywhere—from the farms and dairies to the high-tech businesses to the basic industries.

Now, I have never been one to underestimate the work cut out for Republicans in upcoming elections. And you're sure going to have your hands full here in Minnesota, which is traditionally a Democratic State. But let me just tell you, now, why I feel very confident about next year's election for our party.

When we Republicans arrived in Washington 2½ years ago, we faced double-digit inflation that had been double digit for 2 years in a row; soaring interest rates at—and do you remember this?—21.5 percent.

Unemployment and business failures were moving upward; Federal spending was going up by an incredible 17 percent a year in 1980. In fact, in the previous 10 years, Federal spending had tripled. And between 1976 and 1981—in just those 5 years—Federal taxes doubled. The regulatory burden was overwhelming. And it was overwhelming farmers and businessmen. And our national debt was reaching the incomprehensible amount of \$1 trillion. The truth is, we're paying more in interest payments on that debt every year than it took to run the entire Federal Government just 20 years ago.

All of this—the economic mess we inherited—was largely the result of years of rule by the other party and, especially, their domination of both Houses of Congress. There have been deficits 45 of the last 53 years. Their philosophy had been simple and straightforward: tax and tax, spend and spend. And the results were just as plain: inflation and inflation, recession and recession. There have been eight recessions since World War II.

But the election of 1980 put a halt to this. In the Presidential voting, we received a mandate. And we even took over one House of the Congress—and you certainly helped with that—the Senate. And after that, we went to work. We cut the rate of growth in Federal spending, and we cut through the thicket of Federal regulations. We horrified the conventional thinkers in Washington by even managing to cut taxes. And we brought about one of the most important reforms of the tax system in history.

Under the old system, inflation had been driving average Americans into tax brackets that were once reserved for millionaires. We ended that by indexing taxes to the rate of inflation. Now, it's true; this change won't take effect until 1985. But then the big spenders who want to increase your taxes will have to come out from the bushes and stand up and say right out loud, they want a tax increase. They won't be able to do it by just letting bracket creep take a little bigger share of your earnings.

We said all along that economic recovery would take some time, that the going might get rough, but that in the long run we'd get this country back on the road to prosperity.

And now we're on that road. We've got a way to go, of course. We have to get unemployment and deficits down. But this much is certain: In just 2½ years, we've cut inflation to less than a third of what it was. As a matter of fact, for the last 6 months, inflation has been running at eight-tenths of 1 percent.

We've got the economic indicators going upward. And we've given everyday Americans more real income, because their taxes are down and inflation is no longer eating up their paychecks. We've restored consumer and business confidence.

I know that every once in awhile they just—it's irresistible that we hear about how many businesses have gone bankrupt and have bellied up in these hard times. And yet, how seldom do we hear that during this same period—yes, that has been true—but last year more than 600,000 new businesses started up in the United States, went into business to begin with. And that is an all-time record in the history of our country.

We're making it possible for the spirit of enterprise and excellence—the spirit Rudy Boschwitz has exemplified in his business and political careers—to make America strong again. Last week, we got the bad news that there were—little, temporary laying off. There was a little holiday in the automobile industry. And there was. But already this week, that automobile production is up 16.4 percent, and that's 27 percent higher than it was in the same week last year.

Now, next year the job before us is simple. Republicans have to go to the American people, remind them of the mess we were in in 1980 and how far we've come since those days. And then we have to ask them for the political tools to help us finish a job that has been so well begun.

We're on the way there. But it takes time to mobilize public opinion to show the slow learners in Washington that the people really do want limited, more responsive government and lower taxes and spending.

No one has been more instrumental in helping bring this about, this kind of responsible but steady change, than Senator Rudy Boschwitz. When we were trying to

get Federal spending under control, he stood with us. When we were trying to get taxes, he fought—or to cut taxes, I should say—he fought the good fight. When we tried to bring about regulatory reform and open up an opportunity in American commerce and industry, he helped lead that fight.

All the way along the line, Rudy has stood up to those who've tried to turn the Federal Government into a money-grinding tax factory. You all know that you've got a great Senator in Rudy—a warm and generous person, a man who never forgets his roots, who's always looking out for the people who sent him to Congress. You have every right to be proud of him and to say without hesitation, "Minnesota needs Rudy Boschwitz for another 6-year-term."

But for all the reasons I've just mentioned, America also needs him. Rudy's been a battler and a leader on the most important issue of the past few years—that of returning America to economic growth and prosperity. By reelecting people like Rudy Boschwitz, we Republicans can help finish the job now.

Remember, there are plenty of people in Washington who want to take back your tax cuts and send Federal spending and inflation skyrocketing again. Incidentally, Rudy, if those votes you missed today were on appropriation bills, if the bills were too big, I'll veto them, so don't worry about missing the vote. [Laughter] We need Rudy to help keep America on the road to recovery, to keep her strong at home and abroad.

You know, of all the things that I've talked about here and the things that some of us are proud of in Washington and we

think we've accomplished, I stop to think that had we not gotten that slim majority in the United States Senate, that one House of the legislature, none of these things would ever have happened. All we would have had going was veto and hope that we could uphold a veto on some of the things. Government would've gone along on the same course.

But something strange has happened. Instead of just talking about new spending programs and debating them in Washington, as they have for years and years and decades, today there's a whole different argument. The fight is over, "How much can we cut?" And, yes, they have their way sometimes, and we don't get all that we ask for. But I've always figured I'll settle for 75 percent or 80 percent, if I can get that much of the cuts. And we can do it as long as we maintain that Senate.

So, you are one of the key areas of the United States in the coming election year. I thank you for coming tonight. I hope you'll work hard for Rudy. And believe me, I look forward to working with him and you in the future.

Thank you all, and God bless you for being here tonight.

Note: The President spoke at 7:33 p.m. in the Hall of States at the Leamington Hotel following remarks and an introduction by Kay Weinstock, deputy finance chairman of the Minnesota Republican Party.

Prior to the dinner, the President attended three receptions at the hotel—one for Republican leaders, one for major contributors, and one for the Senatorial Trust. Following the dinner, the President returned to Washington, D.C.

Nomination of William Perry Pendley To Be an Assistant Secretary of the Interior

June 10, 1983

The President today announced his intention to nominate William Perry Pendley to be an Assistant Secretary of the Department of the Interior (Energy and Minerals).

He would succeed Daniel N. Miller, Jr.

Mr. Pendley is currently serving as Deputy Assistant Secretary of the Interior, Energy and Minerals. Previously he was

Acting Director, Minerals Management Service, at the Department of the Interior in 1982–1983; minority counsel, Mines and Mining Subcommittee, Interior and Insular Affairs, U.S. House of Representatives in 1978–1981; and legislative assistant for Senator Clifford Hansen in 1976–1978.

He graduated from Georgetown University (B.A., 1967; M.A., 1968) and the University of Wyoming College of Law (J.D., 1976). He is married, has one child, and resides in Arlington, Va. He was born April 3, 1945, in Cheyenne, Wyo.

Nomination of Robert E. Fritts To Be United States Ambassador to Ghana

June 10, 1983

The President today announced his intention to nominate Robert E. Fritts, of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador to the Republic of Ghana. He would succeed Thomas W. M. Smith.

Mr. Fritts has been Senior Deputy Assistant Secretary of State for Counselor Affairs since 1980. In the Department of State he was a member of the Executive Seminar in National and International Affairs at the Foreign Service Institute (1976–1977), and Director of Thailand, Indonesia, Malaysia, Burma, and Singapore Affairs (1977–1980).

Previously he was Ambassador to the Re-

public of Rwanda (1974–1976); Deputy Chief of Mission in Khartoum (1973–1974); deputy chief of the Economic Section in Jakarta (1971–1973); Deputy Director of the Office of Japanese Affairs (1970–1971); and economic officer in the Bureau of East Asian and Pacific Affairs (1968–1969).

Mr. Fritts graduated from the University of Michigan (B.A., 1956) and took graduate work at George Washington University. He served in the United States Navy (1956–1959). In 1959 he entered the Foreign Service as international relations officer in the Bureau of European Affairs. He was born May 3, 1934, in Chicago, Ill.

Appointment of Five Members of the Advisory Commission on Intergovernmental Relations

June 10, 1983

The President today announced his intention to appoint the following individuals to be members of the Advisory Commission on Intergovernmental Relations for terms of 2 years:

Gov. Bruce Babbitt of Arizona. He is married, has two children, and resides in Phoenix. He was born June 27, 1938. This is a reappointment.

Gov. Richard Thornburgh of Pennsylvania. He will succeed Richard A. Snelling. He is married, has four children, and resides in Harrisburg. He was born July 16, 1932.

Gov. Scott Matheson of Utah. He will succeed

Forrest Hood James, Jr. He is married, has four children, and resides in Salt Lake City. He was born January 8, 1929.

Mayor Ferd Harrison of Scotland Neck, N.C. He is married, has two children, and resides in Scotland Neck. He was born August 31, 1926. He will succeed Richard Hatcher.

Speaker Pro Tempore William Passannante of New York. He is a member of the New York State Assembly. He will succeed Richard S. Hodes. He has two children, and resides in New York City. He was born February 10, 1920.

Remarks at the Annual Convention of the Anti-Defamation League of B'nai B'rith June 10, 1983

The President. Hello.

Mr. Bialkin. Mr. President, this is Kenneth Bialkin. I'm chairman of the Anti-Defamation League of B'nai B'rith.

The President. Yes, I'm pleased to speak to you, and I understand that I'm speaking to all your group there.

Mr. Bialkin. Yes, Mr. President, we have here the national commission of the ADL, Ambassador Samuel Lewis, the president of B'nai B'rith, and all of the leaders of our group. We are honored by your willingness to interrupt your day to speak to us and grateful for the time you're giving to us, sir.

The President. Well, listen, I'm sorry that I couldn't personally be with you during your 30th annual convention, but let me assure you, my message will be the same. And to Ambassador Lewis: Sam, I hope I won't be saying some things that you had planned to say, but, if so, just say them over again. [*Laughter*]

I know the Anti-Defamation League has justly earned the recognition as a champion of human rights. For seven decades, you've worked to ensure that all members of our society, no matter what their race, religion, or background, have an equal opportunity to succeed. And I deeply appreciate your support for my recent appointments to the U.S. Commission on Civil Rights. Like you, I, too, was deeply troubled by the strident attacks against them.

I know that we share a belief that all people, no matter where they live, have the right to freedom of religion. This is not a right that is any government's to give or to take away. It's our right from birth, because we're all children of God.

We believe it's our duty to defend freedom, not just here at home but everywhere people are persecuted for their beliefs. I was very disturbed that a Soviet spokesman said earlier this week the majority of Jews who want to be reunited with their families in Israel have left the Soviet Union. This official said that the portion of the 1.8 million Russian Jews who still want to leave

have, and I quote, "Fallen victim to Zionist propaganda which brainwashes them."

Well, as you know, the National Conference on Soviet Jewry estimates that by late 1979 at least 300,000 Jews had asked relatives abroad to send invitations needed for emigration. This was before the Soviets began blocking these invitations.

But in 1975, the Soviet Government signed the final act of the Helsinki agreement. The Soviets pledged to deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with their families.

So, let us stand together, speak the truth, and tell the Soviets, stop persecuting innocent people. Let Israel's children go or face the world's condemnation for making a mockery of an historic agreement that was signed by 35 nations.

I'm delighted that Sam Lewis, our Ambassador to Israel, is with you today. I know that he'll be talking with you in greater detail about U.S. policies in the Middle East.

We're very pleased with the recent efforts of Secretary Shultz in working out the Israeli-Lebanon withdrawal agreement. This bold initiative by Israel and Lebanon is one more step toward a more stable Middle East. Our ultimate goal remains peace between Israel and all her Arab neighbors.

Only through peace can Israel achieve real security. But Israel cannot make peace alone. Other Arab States must formally recognize that Israel does exist and that she has a right to exist. We'll continue our diplomatic efforts to seek the withdrawal from Lebanon of all foreign forces, Syrian and PLO as well as Israeli.

But we are very concerned about the Soviet buildup in Syria. I want you to know that we're committed to maintaining Israel's qualitative edge in the military balance of power. I have personally followed Israel's heroic struggle for survival ever since the founding of the State of Israel 35 years ago. As long as I'm President, the United States will be a rock of support. We will not waver

in our commitment to protect Israel's security. [Applause]

Well, thank you.

It's no coincidence that the same forces which are destabilizing the Middle East—the Soviet Union, Libya, the PLO—are also working hand in glove with Cuba to destabilize Central America. And I'd like to urge you to support this Nation's efforts to help our friends in Central America.

This question isn't who has the most perfect democracy. The question is, who's trying to build democracy and who is determined to destroy it. Many nations, including the United States, which once condoned slavery, have evolved into better democracies over time. But nations which fall into the clutches of totalitarianism do not become free and democratic again. And freedom can't be lost in one nation without being diminished everywhere.

Again, as you embark on your next 70 years, you have the thanks of all Americans for a job well done and our best wishes for the future. May we continue to be allies, may God bless you, and may He be with us all in our human rights struggles ahead.

Thank you very much.

Mr. Bialkin. Thank you very much, Mr. President. We appreciate your being with us. I wonder—is the President off the line?

The President. No, I'm still here.

Mr. Bialkin. I wondered whether you would be willing to receive or entertain some questions from our group, sir.

The President. Well, now, I only have a few minutes here. There's a helicopter waiting for me. But if we can—something in just one or two—in a couple of minutes, yes.

Mr. Bialkin. Well, the chairman of our national executive committee, Burt Levin-

son, has one, I think, that he's ready with, sir.

The President. All right.

Mr. Levinson. Mr. President, it's a pleasure to talk to you. I'd like to ask how you assess the chances of Syria withdrawing from Lebanon according to the agreement so ably worked out by Secretary Shultz.

The President. Well, I just have to remain optimistic. I can't believe at this point, having crossed that one hurdle prior to real peace negotiations, that it's all going to end here. And I know we've been working very closely with the other Arab States. And I know that almost to the last one of them, they're with us in wanting a solution to this problem and wanting Syria out of there.

So, I'm hopeful that Syria will see the light on this and make that decision, because it was true that in the beginning all of them, including Syria, everyone said that when everyone else got out of Lebanon, that they would all get out. They made that promise as well. And I'm hoping they'll stick with it.

Mr. Bialkin. Mr. President, we thank you very much. We are very grateful and praising of your efforts in the Middle East. We congratulate you and Secretary Shultz on achieving the Israel-Lebanese achievement, and we assure you that you will have our continued support in your efforts to achieve a peaceful solution of—results in the Middle East. Thank you for being with us, sir.

The President. Well, thank you, and God bless you.

Note: The President spoke at 3 p.m. by telephone from the Residence to the organization, which was meeting in Washington, D.C.

Executive Order 12424—President's Commission on Strategic Forces

June 10, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), it is hereby ordered that Executive Order No. 12400, as amended, establishing the President's Commission on Strategic Forces, is hereby further amended as follows:

Section 1. Section 2(a) of the Order is amended to provide as follows:

"(a) The Commission shall review on a periodic basis the progress made in implementing the recommendations contained in the Report of the President's Commission on Strategic Forces, dated April 11, 1983, with particular reference to the deployment of the Peacekeeper Missile; development and deployment of a small, single-warhead intercontinental ballistic missile system; and developments in strategic arms control. In its review, the Commission shall consider carefully the views of the Congress on these issues. The Commission shall pro-

vide appropriate advice to the President, the National Security Council, the Department of Defense, the Department of State, and the United States Arms Control and Disarmament Agency."

Sec. 2. Section 2(b) of the Order, as amended, is further amended to provide as follows:

"(b) The Commission shall report to the President, from time to time as he may request and, in any event, no later than December 15, 1983."

Sec. 3. Section 4(b) of the Order, as amended, is further amended to provide as follows:

"(b) The Commission shall terminate on January 3, 1984, unless sooner extended."

RONALD REAGAN

The White House,
June 10, 1983.

[Filed with the Office of the Federal Register, 10:12 a.m., June 13, 1983]

Statement on the President's Commission on Strategic Forces

June 10, 1983

First, I want to take this occasion to again thank Members of both parties in the Congress for their support of the Scowcroft commission's recommendations on modernization, deterrence, and arms control. Their support for these crucial, interdependent recommendations gives us a genuine chance to achieve balanced, verifiable arms reductions—the goal we all seek. I am determined to achieve effective deterrence and significant strategic arms reductions, and I am confident that they can be achieved. But if we are to secure our common objectives, the consensus we now have must be maintained.

I look forward to working with the Congress in the days ahead to maintain and

strengthen this bipartisan consensus. In this regard, I will submit an annual status report to the Congress. To assist me in this effort, I am pleased to announce that I have asked the members of the Scowcroft commission to continue to serve until January 3, 1984. The Commission will review, on a periodic basis, the progress made in implementing the recommendations contained in its report of April 1983, with particular reference to the deployment of the Peacekeeper missile, development and deployment of a small, single warhead intercontinental ballistic missile system, and developments in strategic arms reductions. The Commission will consider carefully the views of the Congress during the review. The value to the

country of this bipartisan framework, both with the Congress and through the Scowcroft commission, is evident to all. It must be and shall be sustained through and beyond the work of the Commission. I pledge this to the Congress and ask their reciprocal good faith.

In addition to consulting closely with the Members of Congress, I have directed Chairman Scowcroft to seek out views and assistance from a wide variety of leading authorities in the strategic and arms control field. As before, the Chairman has authority to appoint Senior Counselors as he deems appropriate.

As we continue to move forward in this vital bipartisan effort, let us all keep in mind our fundamental goal—to conclude agreements that will enhance security and stability by reducing overall strategic force levels, while permitting modernization of forces necessary for effective deterrence.

Note: On the same day, the Office of the Press Secretary issued a list of individuals

who agreed to continue to serve on the Commission. They are Brent Scowcroft, former Assistant to the President for National Security Affairs, to serve as Chairman; Nicholas Brady, former Senator from New Jersey; William Clements, former Governor of Texas and Deputy Secretary of Defense; Dr. John Deutch, dean of science at MIT and former Director of Research at the Department of Energy; Alexander M. Haig, Jr., former Secretary of State and Supreme Allied Commander in Europe; Richard Helms, former Director of Central Intelligence; John H. Lyons, vice president of the AFL-CIO and chairman of the defense subcommittee of its executive council; William J. Perry, former Under Secretary of Defense for Research and Engineering; Vice Adm. Levering Smith, former Director of Special Projects for the Navy; James Woolsey, former Under Secretary of the Navy. Dr. Cyrus P. Knowles, Director of Offensive and Space Systems in the Office of the Secretary of Defense, will serve as Executive Secretary of the Commission.

Nomination of Terence A. Todman To Be United States Ambassador to Denmark

June 10, 1983

The President today announced his intention to nominate Terence A. Todman, a career Foreign Service officer, to be Ambassador to Denmark. He would succeed Ambassador John L. Loeb, Jr.

Mr. Todman is currently serving as Ambassador to Spain. He has served in that position since 1978. He entered the Foreign Service in 1952 as an international relations officer at the Department of State, a position he held until 1957. He then served as a political officer in New Delhi from 1957–1960. He was in Arabic language training in Beirut from 1960–1961. From 1961 to 1964, he served as a political officer in Tunisia. He then went to Togo as Deputy Chief of Mission (1965–1968). At the Department of State, he served as Country Director for

Kenya, Tanzania, Uganda, and the Seychelles, in the Bureau of African Affairs (1968–1969). In 1969 he became a Chief of Mission for the first time, when he was appointed Ambassador to Chad (1969–1972). He then served as Ambassador to Guinea (1972–1974) and Ambassador to Costa Rica (1975–1977). He then returned to the Department of State to become Assistant Secretary for Inter-American Affairs (1977–1978).

Ambassador Todman graduated from the Inter-American University in Puerto Rico (B.A., 1951) and Syracuse University (M.A., 1952). He is married and has four children. He was born March 13, 1926, in the Virgin Islands.

Appointment of John L. Loeb, Jr., as a United States Representative to the 38th Session of the General Assembly of the United Nations *June 10, 1983*

The President today announced his intention to designate Ambassador John L. Loeb, Jr., as a Representative of the United States of America to the 38th Session of the General Assembly of the United Nations.

Prior to this, Ambassador Loeb has been successfully serving as Ambassador to Denmark since July of 1981. Ambassador Loeb had been with Loeb, Rhoades and Co., of New York City, from 1956–1981, as general partner (1959–1973) and limited partner (1973–1981). Since 1979 he had been president of John L. Loeb, Jr., Associates of New York, N.Y. He has also served as special adviser to Governor Nelson A. Rockefeller on environmental matters (1967–1973), chairman of the New York State Council on

Environmental Advisors (1970–1975), and of the Governor's Keep New York State Clean Program (1971–1975), and chairman of the Holly Sugar Corp. (1969–1971). He has served as director of John Morrell and Co., Atlantico del Golfo, the American Star Insurance Co., International Rescue Committee, Denver and Rio Grande Western Railroad, Metro-Goldwyn-Mayer, and Rio Grande Industries.

Mr. Loeb graduated from Harvard College (B.A., 1952) and Harvard Business School (M.B.A., 1954). He served in the U.S. Air Force as first lieutenant in 1954–1956. He has two children and resides in Purchase, N.Y. He was born May 2, 1930, in New York, N.Y.

Appointment of Leroy E. Hay as a Member of the Commission on Presidential Scholars *June 10, 1983*

The President today announced his intention to appoint Leroy E. Hay to be a member of the Commission on Presidential Scholars during his tenure as National Teacher of the Year. He will succeed Bruce E. Brombacher.

Dr. Hay is a teacher of English and futuristics at Manchester High School, Manchester, Conn. He has been teaching for 17 years, 15 of them at Manchester High School, where he is now chairman of the English department. He is a past president of the Manchester Education Association.

Dr. Hay is the winner of the 1983 National Teacher of the Year Award. He was also named Connecticut Teacher of the Year. He graduated from State University of New York in Cortland (B.A., 1966) and the University of Connecticut (M.A., 1971). He earned a doctor of philosophy in secondary education from the University of Connecticut in 1978.

Dr. Hay is married, has two children, and resides in Vernon, Conn. He was born May 13, 1944, in Cortland, N.Y.

Appointment of Caleb B. Hurtt as a Member of the President's National Security Telecommunications Advisory Committee

June 10, 1983

The President today announced his intention to appoint Caleb B. Hurtt to be a member of the President's National Security Telecommunications Advisory Committee. This is a new position.

Since 1982 Mr. Hurtt has been president of the aerospace division of Martin Marietta

Corp. He has also served as vice president since 1980. Mr. Hurtt joined the Martin Marietta Corp. at Denver, Colo., in 1956.

He is married, has three children, and resides in Potomac, Md. He was born August 15, 1931, in Ridley Park, Pa.

Radio Address to the Nation on Environmental and Natural Resources Management

June 11, 1983

My fellow Americans:

I think it's time to clear the air and straighten out the record on where my administration stands on environmental and natural resources management matters. I know you've heard and read a million words about where others think we stand. Now, how about 5 minutes of the truth?

A few weeks ago, when Bill Ruckelshaus was sworn in as Director of the Environmental Protection Agency, he very graciously pointed out that when his Agency was created 13 years ago, with him as its first Director, California was the environmental leader of the Nation. Having been Governor of California at that time, I was, and am, very grateful to Bill for those kind words.

Let me just say, I feel now as I felt then about environmental matters. I believe in a sound, strong environmental policy that protects the health of our people and a wise stewardship of our nation's natural resources. But that's enough about me.

The Secretary of Interior, Jim Watt, is the prime target for those who claim that this administration is out to level the forests and cover the country with blacktops. Someone in the press the other day said if Jim discovered a cure for cancer, there are those who would attack him for being pro-life.

Let's go back a little first and set the stage. Jim rides herd on all the national

parks and most of the 80 million acres of national wilderness. There are other things, like wildlife refuges, which up the total considerably. In fact, the Federal Government owns one-third of all the land of the United States.

When he came to Washington 2½ years ago, Jim found that visitor facilities in our national parks had been allowed to deteriorate to the point that many failed to meet standards for health and safety. It's being corrected. The National Park Service has made a major effort to improve maintenance at the parks that so many Americans love and love to visit. And today, they provide a wider, more beautiful variety of outdoor splendor than you can find anywhere else in the world.

Not too long ago, however, a new fire-storm was raised about our wilderness lands. The perception was created that Secretary Watt was turning some of these lands loose from wilderness classification and government ownership. I should point out that wilderness lands are areas of such wild beauty that they're totally preserved in their natural state. No roads violate them, and no structures of any kind are allowed, and there are now almost 80 million acres of such land.

So, what was the fire-storm all about? Well, hang on, and follow me closely. As a

result of legislation passed several years ago, a study was made of some 174 million acres of land to see if any or all of it should be declared wilderness and added to the present 80 million acres. Conditions were imposed in the review procedures to ensure that wilderness standards would be met.

If, for example, there were roads on the land, it was ineligible. It was ineligible if there was any dual ownership by other levels of government or if title to mineral rights was held by individuals or governments. Also, with limited exceptions, any package had to contain no less than 5,000 acres to be eligible. The study had been going on under the previous administration, and some 150 million of the designated 174 million acres had already been turned down by previous administrations as being ineligible for wilderness classification.

Now, think hard now. Do you recall hearing one word about this or any attack being made on anyone at the time? I don't. When we arrived, there were still about 25 million acres to be studied. A few months ago, another 800,000 acres—that's a fraction of what the previous administration rejected—were disqualified as not meeting wilderness qualifications. Yet, the reaction this time was instantaneous, volcanic in size, and nationwide in effect: "Jim Watt was giving away wilderness land. Our children and grandchildren would be deprived of ever seeing America as it once was."

Well, nobody bothered to mention that our administration has proposed to the Congress addition of another 57 wilderness

areas encompassing 2.7 million acres. That's more than three times as much land as was disqualified. Nor did anyone mention that I've already signed legislation designating sites in Indiana, Missouri, Alabama, and West Virginia as new wilderness areas.

The truth is that our National Park System alone has grown to 74 million acres, and almost 7,000 miles of river are included in our National Wild and Scenic River System. We have 413 wildlife refuges totaling some 86.7 million acres. This record is unmatched by any other country in the world.

Our environmental programs also are the strongest in the world. Last year, expenditures by business and government to comply with environmental laws and regulations were estimated at over \$55 billion, or \$245 per man, woman, and child in the United States.

We have made a commitment to protect the health of our citizens and to conserve our nation's natural beauty and resources. We have even provided financial and technical support to other nations and international organizations to protect global resources. Thanks to these efforts, our country remains "America the Beautiful." Indeed, it's growing more healthy and more beautiful each year. I hope this helps set the record straight, because it's one we can all be proud of.

Till next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Remarks at White House Ceremonies Marking the 15th Anniversary of the Special Olympics

June 12, 1983

First of all, welcome to the White House. And to those of you from Chile, Greece, Japan, and Kenya: Welcome to the United States. I hope you all enjoyed seeing "Superman III," starring Christopher Reeve. And isn't it great to have Christopher—Superman—as a coach? This looks like it

might be so much fun, I wish I'd worn my track clothes. [*Laughter*]

I understand that in Special Olympics, your torch is called the Flame of Hope. And that's exactly what your athletes represent today. By training and competing in these events, you're realizing your hopes for a

fuller, more productive life. And you're kindling in the rest of us the hope that through individual effort we can make this a more caring world. And, Eunice, we're grateful for all you've done to give these special young people new opportunities for special growth.

We're grateful to these athletes for letting us share in their joy today. Thank you again, and welcome.

Note: The President spoke at approximately 5:45 p.m. at the South Portico of the White House. In his remarks, he referred to Eunice Kennedy Shriver, founder and president of the Special Olympics.

Events at the White House included demonstrations of several Special Olympics competitions, a picnic supper, and a concert by the Beach Boys on the South Lawn.

Remarks Following a Performance by the Beach Boys at White House Ceremonies Marking the 15th Anniversary of the Special Olympics

June 13, 1983

The President. I know their music speaks for itself; but I just wanted, on behalf of all of you I know, to thank the Beach Boys for coming here on this very special occasion.

We were looking forward to seeing them on the Fourth of July. I'm glad they got here early.

But, we're very honored and proud to have you here at the White House, which is everybody's house, belongs to all of us. And it is a great honor, and I know that you've had to sandwich this in to do it. But I know also that you did it because of the way you

feel about this very special occasion, too—*[applause]*—

And if you didn't believe that our whole family have been fans of yours for a long time, just look at Nancy. *[Laughter]*

Mr. Love. [Inaudible] I can tell that. She's a California girl, what the heck. *[Laughter]*

The President. Well, again, God bless you all, and thank you very much.

The Beach Boys. Thank you.

Note: The President spoke at 7:14 p.m. on the South Lawn.

Nomination of Two Members of the Federal Election Commission

June 13, 1983

The President today announced his intention to nominate the following individuals to be members of the Federal Election Commission for a term expiring April 30, 1989:

Joan D. Aikens has served on the Federal Election Commission since 1975. Previously she was vice president/account executive, Lew Hodges Communications, Inc., of Valley Forge, Pa., in 1974–1975. Ms. Aikens graduated from Ursinus College, Collegeville, Pa. (B.A., 1950). She was awarded an honorary doctor of laws from Ursinus College in 1969. She has one son and resides in Washington, D.C. She was born May 1, 1928, in Lansdowne, Pa.

John Warren McGarry has served on the Federal Election Commission since 1978. Previously he was special counsel on elections, U.S. House of Representatives Committee on House Administration, in 1974–1978; senior partner and trial attorney with the firm of Sheff and McGarry in Boston, Mass., in 1964–1973; and chief counsel, U.S. House of Representatives Special Committee to Investigate Campaign Expenditures, in 1962–1973. Mr. McGarry graduated from Holy Cross College (B.S., 1952) and Georgetown University Law Center (J.D., 1956). Mr. McGarry is a member of the Massachusetts and American Bar Associations. He is married and resides in Washington, D.C. He was born June 11, 1922, in Boston, Mass.

Remarks of the President and Prime Minister Robert Hawke of Australia Following Their Meetings

June 13, 1983

The President. Well, I'm delighted that Prime Minister Bob Hawke has been able to come to Washington so early in his administration.

We've had a productive session, reviewing bilateral issues as well as world developments. And, more importantly, we've had a chance to put our relationship on a personal basis. We find we have much in common, but that's no surprise between friends and allies. The bonds between our two nations are of long standing. Our ties are a precious tradition, reflecting our many concerns and shared values.

Australia is a great nation that plays a vital role in regional and world affairs. It's a key ally upon whom we can count. Ours is an alliance of trust and friendship. I'm grateful for the good will expressed by Prime Minister Hawke today, and I welcome his wise counsel. I've been looking forward to getting to know him. And it was our first meeting, but certainly not our last. We will be in frequent contact in the future. And I wish the Prime Minister and all Australians the best of luck. And again, welcome.

The Prime Minister. Thank you. Mr. President, I join with you in expressing the appreciation that I have for having placed the relationship between our two countries now in terms of a personal meeting between us.

I, like you, have been looking forward to this meeting. I have been able to convey to you, and through you to the people of the United States, the fundamental importance that we in the new Labor government attach to the relationship with the United States.

I was able to remind the President that it was a Labor government during the last war which fundamentally reoriented the international relationship of Australia toward that alliance with the United States. It was

an alliance which served us well, the United States and Australia, during that war. And in the period since the war, that relationship, in general, and particularly in terms of the ANZUS Treaty relationship, has continued to serve both our countries well.

There is no country, I have suggested to the President, that this country will be able to rely on more as a constructive ally than Australia. It will be a relationship of deep friendship and, as is befitting between people and nations who are friends, it will be one, at times, where there may be differences of emphasis in our perceptions of particular issues. Those differences, if they exist, will be honestly and directly expressed but will in no way diminish the fundamental depth of the relationship between our two countries.

I appreciate the opportunity that I have had to discuss with the President matters of immediate bilateral importance to us, matters of concern in the immediate region of Australia, and issues of global consideration. And we have found in all those areas an identity of interest. And I have expressed to the President, as he has to me, our firm intention on both our parts to ensure that the relationship, which has been strong and productive in the past, will continue to be even more so in the future. And that will reflect the relations between our countries and what is now a firm, personal relationship between the President of the United States and myself as Prime Minister of Australia.

Thank you, Mr. President.

Note: The President spoke at 1:23 p.m. to reporters assembled at the South Portico of the White House.

Earlier, the President and the Prime Minister met in the Oval Office and then held a working luncheon, together with U.S. and Australian officials, in the Residence.

Remarks at a White House Reception for Baltic Americans

June 13, 1983

I once learned in a public-speaking class that you should never open your remarks with an apology. [*Laughter*] But, then, how can I explain to you that I'm sorry I was late and have kept you waiting here? I'll tell you how that happened here if some of the fellows behind me won't get mad. They had a meeting scheduled also with a delegation from the Congress, and I've found out that every time that happens I'm late from then on. [*Laughter*] But welcome to the White House.

We're gathered to draw attention to the plight of the long-suffering Baltic people and to affirm to the world that we do not recognize their subjugation as a permanent condition.

The Soviet occupation of Latvia, Estonia, and Lithuania is a living reminder of the cynical agreement between Soviet Russia and Nazi Germany that precipitated the Second World War. The Soviets would like the world to forget this dark chapter of history, but it's something the Baltic people and freedom-loving people everywhere will always remember. The Soviet Union invaded these small but proud countries in 1940. And then, in June of 1941—only days before Hitler turned on his partners in the Kremlin—the Soviets arrested tens of thousands, executed many, and began a mass deportation to Siberia. At the end of the war, the horror continued as hundreds of thousands were sent to the Gulag.

Today, it's no coincidence that a large percentage of people living in these occupied countries are not of Baltic descent. The Soviets have tried their best to Russify the Baltic peoples, as they have with so many of the other oppressed nationalities within the Soviet empire.

The worship of God, once at the heart of Baltic culture, has been brutally suppressed. Any legitimate attempt at independence from Moscow has been suppressed. Any tan-

gible effort to preserve their national identity has been denied. But the Soviets have never broken their spirit. Underground publications flourish, and ad hoc committees and groups defend religious and national rights as guaranteed by the Helsinki accords.

It seems ironic that those responsible for the repression I've been describing are now proposing what they call an atom-free Baltic, a Nordic nuclear-free zone, especially since unidentified submarines have repeatedly violated the territorial waters of Norway and neutral Sweden. This kind of conduct doesn't lend itself to a spirit of trust. As a matter of fact, the curious thing is, if you really stop to think about it, their description of a nuclear-free zone is that there won't be nuclear weapons in that zone. The kind of nuclear-free zones we want in the world are zones where nuclear weapons will not be landing and exploding.

I urge the Soviets to concentrate on the serious negotiations in Geneva instead of making meaningless gestures. Last week, as you're aware, I unveiled a new arms control proposal. We hope the Soviets will take this proposal seriously. We've demonstrated flexibility. The ball is now in their court. We're seeking verifiable and equitable agreements, because we're firmly convinced that such agreements are in the interest of both our countries and all the people of the world.

However, we should never delude ourselves as to just who and what we're dealing with. I can promise you we will not, in the process of seeking peace, be lured from our moral commitment to those captive peoples who are now held in bondage.

There are those who believe that we should muffle our criticism of totalitarianism in the mistaken notion that this will further the cause of peace. But we Americans want nothing more than to remain

free and at peace. Nevertheless, ignoring reality, giving up the moral high ground, refusing to speak the truth will not engender the respect needed for the preservation of peace and human liberty. Totalitarian regimes must know that free men will not cower. Then and only then can conflict be avoided.

I'm happy to report after the Williams-burg summit that I'm confident freedom and peace can be preserved. The leaders of the Western democracies gathering there in the cradle of liberty met as friends and allies. A new spirit is emerging in the West, a fellowship of decent and free people. We have the strength of our convictions, and we're not afraid.

June 14th, the day in 1941 when the massive deportation of the Baltic people began,

is a day which reaffirms our commitment to our ideals. The people of Latvia, Estonia, Lithuania, and all the other captive nations look to the United States. We must keep the peace, and we will. We must also keep the beacon of freedom shining, and from that sacred responsibility, we will never shrink.

Last week, Congress expeditiously adopted legislation proclaiming June 14th Baltic Freedom Day. And I will now sign the proclamation marking that designation.

[At this point, the President signed H.J. Res. 201 and the proclamation.]

Note: The President spoke at 5:14 p.m. in the East Room at the White House.

As enacted, H.J. Res. 201 is Public Law 98-39, approved June 13.

Proclamation 5068—Baltic Freedom Day, 1983

June 13, 1983

*By the President of the United States
of America*

A Proclamation

In 1940, Soviet armies invaded and occupied the independent countries of Lithuania, Latvia, and Estonia. The peaceful, Western-oriented Baltic nations were crushed by the force of arms of their hostile neighbor. Under the cynical arrangements of the infamous Ribbentrop-Molotov agreement, the Soviet Union forcibly incorporated the three Baltic Republics into its empire.

Following the Soviet takeover, tens of thousands of the Baltic peoples were subject to imprisonment, deportation, persecution, and execution. Their religious, cultural, and historical heritage has been denigrated. The foreign political system which now controls their homelands has attempted to force these unwilling people to accept an alien life of totalitarian domination. But it has failed.

Today, the Baltic peoples continue to struggle to attain the freedoms we enjoy. These men and women still suffer harsh im-

prisonment, banishment, and persecution for their beliefs. Brave Lithuanians, Latvians, and Estonians still seek to exercise their human rights to think, speak, and believe as their conscience directs them.

The people of the United States of America share the just aspirations of the people of the Baltic nations for national independence, and we cannot remain silent in the face of the continued refusal of the government of the U.S.S.R. to allow these people to be free. We uphold their right to determine their own national destiny, free of foreign domination.

The government of the United States has never recognized the forced incorporation of the Baltic States into the Soviet Union and will not do so in the future.

In its defense of the rights of the Baltic people, the United States does not stand alone. On January 13th, the Parliament of Europe passed a resolution by an overwhelming majority on "The situation in Estonia, Latvia and Lithuania," calling for the restoration of self-determination for the Baltic States.

By House Joint Resolution 201, the Congress of the United States has authorized and requested the President to designate June 14, 1983, as "Baltic Freedom Day."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate June 14, 1983 as Baltic Freedom Day. I call upon the people of the United States to observe this day with appropriate remembrances and ceremonies and to reaffirm their commitment to principles of liberty and freedom for all op-

pressed people.

In Witness Whereof, I have hereunto set my hand this thirteenth day of June, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:18 a.m., June 14, 1983]

Remarks During a White House Ceremony Commemorating Flag Day

June 14, 1983

Thank you, Jack Lyons, Peter Grace, and Len Silverfine.

Who could stand before this scene with Old Glory unfurled in all its majesty across the area of two football fields and not feel their heart fill with pride? This flag is a gift from the people to the people. It was made at painstaking effort, financed, as you've been told, by a coalition of workers and managers, corporations and individual givers. I commend members of the Washington, D.C., Labor Council who spent hours this morning carefully unfolding it for presentation and who have volunteered to set up this flag every Flag Day.

This giant flag is a testament to the unity and patriotism of our people and to the deep love and commitment we have for our country, our freedom, and our way of life. I'm reminded of a verse that I once read, written as if the flag were speaking to us now and for generations to come. It said, "I am whatever you make me, nothing more. I am your belief in yourself, your dream of what a people may become. I am the day's work of the weakest man and the largest dream of the most daring. I am the clutch of an idea and the reasoned purpose of resolution. I am no more than you believe me to be, and I am all that you believe I can be. I am whatever you make me, nothing more."

If you look out at that grand flag

stretched behind us, you can see what we think of ourselves, our country, and our future. That flag was made by and for men and women who still know how to dream great dreams and who still believe they can make their dreams come true. That giant banner was not created by a timid nation, but by a bold one. Not a stitch was sewn in confusion or doubt. We understand that those stars and stripes stand for freedom and the forces of good. We apologize to none for our ideals or our principles, nor the prosperity that we've made for ourselves and shared with the world. Let this grand flag forever be a symbol of the potential before us that free men and women can soar as high as their dreams and energy and ambitions will take them.

On behalf of all Americans, I would like to thank the Great American Flag Fund and all the men and women who've made this inspiring gift possible. I promise you your government will keep it and treasure it and use it as a reminder of the greatness that is America.

And, now, if you will all join me, I would like to lead you in the Pledge of Allegiance.

[The President led the audience in the Pledge of Allegiance.]

I have to go now. I am leaving in that whirlybird for the Volunteer State, Tennessee. So, I'm looking forward to it for one

reason, too. At the very start of the trip, I will get to see that magnificent flag from above, from the air.

Thank you all very much. God bless you.

Note: The President spoke at 11:02 a.m. on the South Lawn. In his opening remarks, he referred to John H. Lyons, general president of the International Association of Bridge,

Structural and Ornamental Iron Workers of the AFL-CIO; J. Peter Grace, chairman and chief executive officer of W. R. Grace & Co.; and Len Silverfine, president of the Great American Flag Fund, Inc.

The 210-foot by 411-foot flag was laid out on the Ellipse, behind the White House, for the ceremony, as well as to mark Flag Day, 1983.

Remarks During a Panel Discussion on the Tennessee Better Schools Program in Farragut June 14, 1983

The President. I'm more used to having people ask me questions. [Laughter] And I don't know, with all of the facets of this subject that have been brought to the fore by the Commission [National Commission on Excellence in Education]—and I must say here in the presence of two members of the Commission, I am wholeheartedly in support of that Commission's report. It was a bipartisan commission and intended to be such. And the two here will attest that they didn't have any telephone calls or messages from the President urging them to find out this or that. I stayed completely hands-off and was—and as I say, I think that they've come in with a masterful report.

I was struck by a number of things in their report. One of them centered on this very thing. The Governor here, of course, was ahead of the Commission's report—hadn't waited for that—with his idea of better and fairer compensation for teachers. And, certainly, I think the chart up there illustrates the importance of that. And I'm glad that we're, all of us here, on that side in that subject.

There is one thing about education. I think there have been elements in our country over recent years that have thought of education and that it should become more and more national, a nationalized school system, if you will. I am unalterably opposed. I think that in the great diversity of this country we created the greatest public school system the world has ever seen, and we created it at a local level

where there could be the intimate and close contact with education on the part of the parents of the children getting that education. I think we should continue, and that basically is where it lies.

I think, with the advent of the Federal Government in some funding for education—and most people are totally unaware of how little the Federal Government participates in that, about 8 percent at all levels of education is the government's share. I think, however, that in recent years, the Federal Government has sought to have far more control than 8 percent of the money would justify. And there's been a kind of image created of education in a vertical line: local, State, and, up here, the Federal Government. Where they really—these branches of government—belong in my view is horizontal. And that is: local, State, and the Federal Government, and divided as to what are the proper, the legitimate functions with regard to education of each level of government. And then, assess where the costs should be to each level based on what its particular interest is and what is necessary to guarantee that interest.

I'm making a speech instead of asking a question. I'm filibustering here, because I wanted to get down, in the questioning, to something that hasn't been mentioned here, now that we're all agreed on this one element.

I've been disturbed—and I would like to have—and I won't pick any one of you here; I'm not well acquainted enough to do

that. But any one who could respond to this. I think there's something in what has happened in education in recent years—that we're all at fault. And by that I mean parents, within the school system, in our whole social structure. Maybe it came out of the Great Depression and the great war that followed. But maybe generations like my own had a feeling that we should do better by our children. But what we meant by doing better was that they shouldn't have it as hard as we had it, and maybe we made it too easy.

I question the abandonment of compulsory courses. I challenge in my mind that the average person entering high school, for example, is not qualified to determine what courses they would choose to take. They're not going to get the exposure they should get to all the other choices that are out there. I can recall a science class, and it didn't appeal to me at all. But I was forced to take it. And at the end of the year, it hadn't appealed to me at all. [Laughter] But, I guess I learned a little something in exercising my mind—of having to do it, because I had to do it if I wanted to play on the football team and if I wanted to get a diploma someday.

But I also saw others that didn't have any more knowledge of it than I did suddenly find themselves in what you could see was where they wanted to be. And this was true in other subjects. And this is part of what I think education could do. And I just wonder if someone would like to speak to this subject of—I know that, just since the Commission report came out, a number of Governors here in the country, a number of school districts, a number of cities, communities—amazing number—have suddenly jumped at the Commission's report and are going forward implementing. And the main thing they're implementing is a return to the idea of 3 or even 4 years of compulsory English, x number of years of compulsory math and science—these things that once used to be taken for granted in school.

And would someone like to comment on this?

Governor Alexander. Maybe Jay Sommer would.

The President. Jay, would you?

*Mr. Sommer.*¹ Well, I think it's long overdue that we should go back to a curriculum. I, as an immigrant to America, was very surprised that I had to do very little to get a high school diploma. It was as easy as apple pie. [Laughter] And I think that the results are showing now, unfortunately.

And, Mr. President, you're absolutely right. We have to go back and believe that our students cannot make a choice in terms of what they are studying. And, indeed, we ought to tell them what we think is important, because we have that experience. And we shouldn't underestimate their ability. They can do a lot better than they have been doing in the recent years.

The President. Gee, I can't resist commenting. As Governor, every year I used to invite the exchange students from the other countries in California to come to the capital and meet with them. And I just have to tell you that every year I would ask one question of those foreign students: How does our schooling here compare with the schooling in your own land? Is it harder, is it easier? And every year the answer was exactly the same. They'd look out of the corners of their eyes at each other, and then they'd begin to smile, and then they'd begin to giggle, and pretty soon they were all laughing out loud. And the answer was we're just too soft and easy compared to what they had to do in their own lands.

*Mr. Crosby.*² Responding to that—and this may take a little bit longer for the answer, because I'd like to relate something in terms of your last comment—and that is, in regards to the curriculum and having a basic core curriculum. And I know even when we as a commission, the members, were looking at it, we also felt that 1 year of math at the ninth grade was not enough math to get a youngster through for the rest of his life. And 1 year of science—and I was amazed to find that there were many districts in this country that did not even

¹ *National Teacher of the Year, 1981–1982, and a member of the National Commission on Excellence in Education.*

² *Emeral A. Crosby, member of the National Commission on Excellence in Education.*

require 1 year of science, even though we talked about 3—and when we start talking about our environment, when we start talking about the sciences as needed, our youngsters are just not prepared to move on.

I looked at something else. We do have a lot of youngsters who are coming in the country—a lot of them from Southeast Asia. And I was surprised, just this spring, to find out how many of these youngsters came into this country speaking no English at all. But they were so glad to have the opportunity to go to school, that within 4 years, they are now valedictorians of their classes. And I think New York was one example. Of the seven top prizes in science, six of them were won by students that had only been in this country about 4 years. We've just taken it so easy as Americans, and yet we have it there that we're not even preparing ourselves to move into the 21st century.

Unidentified speaker. Repeating one example of the kind of thing I think we ought to do, along the line of what you said earlier, I dare say you probably ask that question each year in English, and they were laughing because it was so easy here. I would say that if we took an average group of students from the United States, took them to Germany and had Helmut Kohl ask them that question in German, they'd be laughing too, but it'd be out of embarrassment, because they couldn't understand the question.

I think that sort of thing we have to do if we're going to live in a world in which most people do not speak English or speak it only for their own purposes. We need to learn their language. And no one is going to volunteer—very few, should I say, are going to voluntarily study language that first year. It's too hard. But you get beyond that.

The President. This is absolutely true and once before—I've mentioned this and didn't mention it this time. It struck me every time that every student, exchange student, knew our language. And I had to say, "I wonder if their American counterparts are talking through an interpreter in the countries where they're located."

And I—incidentally, I have called on the phone and congratulated some of those Asian students that have made the press by

virtue of their becoming valedictorians of their class. And you had a very warm feeling after talking to them on the phone and their determination and, incidentally, their appreciation for this country of ours and what it has meant to them.

Governor Alexander. Mr. President, let me—we're about out of time. I have the unpleasant job of regulating that time. I wanted to ask Lieutenant Governor Wilder, who played a major role in the appointment of our legislature's Comprehensive Task Force on Education, which reported in January and which we're very proud, anticipated a number of the concerns of the national commission, if he had anything to add.

Lieutenant Governor Wilder. Thank you, Governor.

Mr. President, certainly the legislative branch of government is proud that you are here with us today, and, you know, education is 50 percent of our business. And it's been that way always. It's half of all that we do in State government. It's been our focal point of attention for years, and yet that attention has been sharpened recently by Governor Alexander and by the Comprehensive Task Force on Education. And it was encouraging to us when your commission on excellence came forward with the same kind of recommendations that we had.

I have a personal commitment. Coming out of the business world, I certainly am committed to merit—merit and production. I think that merit should be in the field of education. And I think we ought to have evaluation and review on a continuing basis. The legislature now has a commission that is looking at these issues, and we are trying to determine for sure that we will get implementation and continuity in implementation.

I believe with certification should be qualification. And we in the legislature have the responsibility to fund any new program, and we must fund it when we put it on.

And so, those are the philosophical concepts that I stand behind.

Governor Alexander. Thank you, Governor Wilder.

I want to hear from Mr. Speaker

McWherter; but Jay Sommer had his hand up, and it's hard not to recognize the Teacher of the Year in the whole country when he has—Mr. Speaker—Jay.

Mr. Sommer. Well, after the war was over, I didn't want to return to my homeland, Czechoslovakia, because it was a graveyard. Indeed, it was. And I was thinking, "To what country shall I go to find a new home?" And someone said, "America would be a good place, because in America you find gold on the streets." And I figured, "That's marvelous. I definitely want to go to America."

But it's harder to come to America than one believes. And I did, by some great fortune, arrive to America. And I was looking on the streets for the gold. And I found it in Public School 149 in Brooklyn, and in Thomas Jefferson High School in Brooklyn, and at Brooklyn College in Brooklyn. That's where the proverbial gold was.

You ladies and gentlemen, who are so instrumental to provide American children with this great gift of education, please be very generous. Help the Governor to bring about a better educational system, because America has to be better educated than it is. The burdens of the world are on our shoulders. We have to make peace in the Middle East. We have to make peace in Europe. We have to make sure that tyranny doesn't rise to the Hitler proportions. So, please, most importantly—whatever details you are going to have to work out, I am sure you'll find a way—but be sure that you are very generous with American children.

Governor Alexander. Mr. Speaker McWherter.

Mr. McWherter. Thank you, Governor and Mr. President.

I think it would be appropriate for me to say that we Tennesseans are very proud of our public school system. And my seatmate, making the references, I recall having the opportunity last year to spend a month in the Soviet Union visiting many republics far down in Asia. And I want to say to those here as well as the President and the Governor and my colleagues that we should not only be proud of our system; we should be thankful, and emphasize the public education system after reviewing the Soviet system that I had an opportunity to see

being practiced.

We have many problems. I think I can speak for the members of the House and, hopefully, the Senate, the Lieutenant Governor. We members of the General Assembly are dedicated to improving education in Tennessee. I personally am committed to a merit pay concept, because that's the American system.

We're glad you're here, Mr. President.

The President. Thank you.

Governor Alexander. Thank you, Mr. Speaker.

Mr. President?

The President. Well, here in the auditorium of Farragut High School, Washington may seem like a far-distant bureaucracy. But let me reassure you that Washington is not too far away for some of us to hear the voices of the people of Tennessee.

Here, the talents and the problems of every child are very real to you, and that is obvious. And you're not waiting for handouts or bailouts or directives from Washington. You've made it obvious—and that's why I'm here—that you're taking action to educate every child so that he or she can compete with anyone anywhere else in the world.

Your Governor, many of your State legislators, parents, and the teachers are calling national attention to the sorry state of America's educational system, a system that was once the finest in all the world. So, I've come here to listen and to learn. Farragut High School and the Knox County school system are shining examples of public education at its best. And it's here that the idea for the basic skills—the first section of Governor Alexander's Better Schools program—started.

Last year your school board was named the Tennessee School Board of the Year. Under the leadership of Lieutenant Governor Wilder and Speaker McWherter, the legislature has established an education task force whose report anticipated many of the findings of the National Commission on Excellence in Education. Your State slogan is, "America at Its Best." And that certainly holds true for Tennessee's schoolrooms.

What better place for a President to take a few lessons for the country on quality

education? Tomorrow I will be addressing the national convention of the Parent-Teachers Association, and I will go better armed than when I came here.

I'm particularly intrigued by the merit-pay-for-teachers idea that you've been discussing here, and Governor Alexander's proposal for a Master Teacher program. If we want to achieve excellence, we must reward it. And it is the American way.

It's a simple American philosophy that dominates nearly every other profession, so why not this one? There are plenty of outstanding teachers in Tennessee and in every other State. What we must do is find them, promote them, hold them up as role models, not just for other teachers but for our children.

I've learned a lot listening to your discussion here today; and I know there are disagreements, but it's important for me to hear those as well. I'll use what I've heard today as we frame our national agenda for excellence in education.

There are many important jobs in American life, but I can't think of any that's more important than teaching our children. William Ellery Channing, an early American clergyman, once said that "it's a greater work to educate a child than to rule a state." What he said was right then as America set her first priorities, and it is still true today as we return to them. With the help and guidance of the people of Tennessee, all those millions of other Americans

who agree with you, we will restore America's ability to educate all her children to the highest standards that we know.

And I thank you for a very informative session and for the teachers who are present. I know sometimes it must get very hard—and the cartoons and the jokes every June portray you as leaping and running across the schoolyard yelling you're free. [Laughter] But, on the other hand, I think you all have something of what one teacher in my life had.

There came a moment between us in which he said to me, "It isn't very important to me what you think of me now." He said, "It is important what you may think of me 15 years from now." And I had the experience, 15 years later, the rewarding experience of being able to face him and tell him what I thought of him 15 years later. And it was far different than it would have been at that angry moment—[laughter]—15 years earlier.

Thank you all very much for letting me be here.

Note: The President spoke at 2:20 p.m. in the mini-auditorium of Farragut High School. His remarks and the general discussion followed several briefings by panel members on the Tennessee school program.

Earlier, following his arrival at the high school, the President had lunch with several high school teachers and Governor Lamar Alexander who moderated the panel discussion.

Question-and-Answer Session With Students at Farragut High School in Farragut, Tennessee

June 14, 1983

Shirley Mynatt. [Inaudible]—we would be very pleased if we could get you to read some of these lines to us. I can find a place with my favorite passage—I don't know about theirs. But I wonder if I could get you to do that.

The President. Well, I was tipped off that you were going to ask me that and what your favorite passage was—

Mrs. Mynatt. You even know my favorite passage—[inaudible].

The President. —and so, I just have it on a piece of paper here in my pocket. [Laughter]

Mrs. Mynatt. Well, that's very good, because I just happen to have it marked in my book with a note card, too, so I could be sure to find the place.

We really would be pleased if you would—[inaudible].

The President. Well, I don't know whether I'm trying out for a part or not. [Laughter]

Mrs. Mynatt. You might get it.

The President. Well, yes, Macbeth and I had—I studied Shakespeare in high school. It was required. But it was well worthwhile. And, as a matter of fact, I once played Shakespeare, but that was in college. We did "Taming of the Shrew," but did it in modern costume, and it was very successful.

But this is Macbeth's lines when the word has been brought to him of the death of Lady Macbeth—and, as you know, how the forces of evil had seized him because of his ambition and then to the point that he was almost without feeling. And he said, "Tomorrow and tomorrow and tomorrow creeps in this petty pace from day to day, to the last syllable of recorded time. And all our yesterdays have lighted fools the way to dusty death. Out, out brief candle. Life's but a walking shadow, a poor player that struts and frets his hour upon the stage and then is heard no more. It is a tale told by an idiot, full of sound and fury, signifying nothing."

I hope that none of you ever get that pessimistic or that cynical about life. I think that humankind is very important, and their lives are not as futile as he would have us believe; but he'd done it unto himself.

I'm not going to go on talking here because I know we've only got a few minutes on the schedule that they have for us. But I was also told that you might have some questions. And I always feel that you must have, some time or other, said to yourselves, "If I could only ask him, I"—[laughter]—well, go ahead. And let's spend our time doing that if we can.

Do you have—yes.

Q. Mr. President, I'd like to know what type of advice do you have to offer for anyone who is having trouble getting through school.

The President. Trouble in getting through school?

Q. Excuse me?

The President. Did you say getting—trouble—

Q. What type of advice would you have

to offer for anyone who is having trouble getting through school?

Mrs. Mynatt. If they're having problems with their schooling.

The President. Ah.

Well, yes, I would because it is so important. And sometimes those troubles can come and go. And if you mean just troubles scholastically or—

Q. Right.

The President. Then, I'd seek help. I'd go to teachers and let them know how much you really want to make it, and it isn't a case of being careless or not trying, that you want to make it. And I think you'd be surprised how much help you'll get.

Q. Mr. President, at our age, was the Presidency a goal, or did it just come about later in your life?

The President. That's a very funny thing. It wasn't a goal in any way. As a matter of fact—it's funny what life does to you—not too many years ago, I would have been willing to bet the house and farm and everything that there was no way that I would ever aspire to public office.

I was very happy in the career that I had in Hollywood and thought that that—I've always believed that you pay your way. So, taking advantage of the fact that I was a performer and, thus, recognized and so forth, I would campaign for people—candidates that I believed in, help at fundraisers and so forth, the causes that I believed in, and thought, there, I was paying my way. I was doing what I should: return a little something for how good life had been to me. And it really came about almost by accident.

I made a speech that was carried on nationwide television on behalf of the Goldwater candidacy in '64. And it attracted quite a bit of attention. And 2 years later, the election for Governor in California—the party had been torn to pieces by that '64 campaign. It was in a shambles. And they kept after me to run. And I, at first, just, you know, literally threw them out of the house and said, "Go away. Don't bother me." [Laughter]

And they kept on to the point that I—one night, Nancy and I—we found we couldn't sleep. We were saying—because they kept

putting it on the basis that I offered the only chance to win and to bring the party back together—finally, we were saying to each other, “Well, could we live with ourselves if they’re right and we’re wrong,” and finally gave in.

And, you know, I think the truth is that I gave in really thinking that it wouldn’t go any farther than the election, and then I’d be free again. I was halfway through the election when I said, “Wait a minute. If I win—[laughter]—I’ve got a 4-year contract.” And that’s how it started.

But I have to tell you, that fate can be very kind, because there, in that job, I found the most fulfillment that was more exciting than anything I’d ever done in my life.

Yeah?

Q. Mr. President, how do you compare the education of today with the education when you went to school?

The President. Well now, I’ve just been through a couple of panels and meeting with teachers from all over Tennessee, and I’ve been in a panel that was just held here in your building, on the Governor’s program here for merit pay for teachers. So, you’ll have to realize that I am talking about education somewhere else than here. But there has been a decline in the quality of education.

But I hasten to say I understand and—one of the reasons I’m here is I know that here in this particular school and in much of Tennessee, you have stayed ahead of the rest of the country. You have not suffered that decline that has been so apparent, particularly in some of our large city schools.

But the difference that I have seen is that—I think frankly, and it’s all our fault—and by “ours” I mean parents and the rest of us that went along before you—I think we tried to make it too easy for you. When I was going to school, for example, English was required for 4 years, and mathematics was required for 3 years in high school. Science was required for at least 2 years. You had required courses—language was required—I took Latin and then 2 years of French, as required—and I think that we’ve dropped a lot of the required courses. And very frankly, I think that you need someone requiring—because left to your choice now,

you haven’t had the experience to know that you might find an interest in a different direction—like me finding out this job that I just answered about, instead of the one that I had.

And I think that this commission that we’ve had on excellence in education that has recommended a return to more required courses and so forth is going to be a big help.

Q. Mr. President, I was just wondering, with all the problems our country has with unemployment, when I graduate from college, how hard is it going to be for me to find a job?

The President. When you graduate from college. Well, I think all the signs of recovery are very much with us, and I think we’ll have recovery long before then. But this is what’s also important in your education now. I think we’re in a period—we’ve been in these periods before—but in a period of change where some of the things that were legitimate jobs in the past are no longer going to exist. There’s going to be a whole new era in high technology and so forth, and you should be prepared and ready for those jobs. But I am quite sure that recovery is going to come long before then, and there will be employment opportunities.

As a matter of fact, you’d be surprised if you take a metropolitan, big city newspaper, the Sunday edition, where they run all the classified ads, even today with 10 million unemployed—there were 10 percent unemployed—even today you will find that those Sunday editions—the Washington paper, the New York papers, Pittsburgh, Los Angeles—you will find those papers will carry as many as 50 and 60 pages of help wanted ads. But when you read them, you realize that these are employers advertising for people, and the people that are presently unemployed do not have the skills and the training for those jobs. This is why what we’re doing at the Federal level, one of our programs is aimed at retraining for people who are unemployed in these new lines of work.

So, there’ll be jobs for you.

Mrs. Mynatt. [Inaudible]—we have time for one more question—[inaudible].

The President. Oh, dear!

Q. Thank you. Over the past 20 years or so, the Supreme Court has made several decisions concerning separation of church and state. And I wonder how you feel about the direction that we appear to be heading in this matter.

The President. Well, I happen to differ with the decision that took prayer out of schools. I don't think the Constitution says anything about—it says, quite to the contrary, that Congress shall make no laws pertaining to religion, either establishing it or preventing the practice thereof.

And we are still a nation under God. It says so on our coins—"In God We Trust". It's over the very hall of the Supreme Court. And I have been very interested and have been trying to promote and am still trying to promote a constitutional change, a constitutional amendment that will restore the right of prayer.

Now, that would be nonsectarian prayer so that no one church is favored over another. And to those who don't believe, they would—it would be voluntary—they wouldn't have to participate. But I don't think that the Constitution ever meant to—it's meant to separate church and state so that we couldn't have an enforced state religion. I don't think it was ever meant to separate our government or our people from religion.

Could I take—there were just—there were three more hands up there, I know our fellows think it's desperate. Suppose I—well, there's four hands really. You.

Q. Okay. Mr. President, do you think that a woman could handle being President as far as her relations with the foreign diplomats, consider most of them are male?

The President. I think that a woman could handle being President. I have just come from a summit conference in which one of the star performers was Margaret Thatcher, the Prime Minister of England. And, of course, you could.

You know, Will Rogers—you've heard that name—great comedian and philos-

opher years ago, and not only appeared on the stage but had a column in most of the newspapers in which he gave his little philosophical thoughts. He once said many years ago that women were going to keep on trying to be more and more like men until pretty soon they wouldn't know any more than the men do. *[Laughter]*

No, certainly, I think that—I think you will all live to see the day when a woman will be President of the United States. Why not?

Mrs. Mynatt. Thank you. Thank you very much, Mr. President.

The President. Oh, teacher says I have to quit.

It's been a great pleasure, and I wish that I could have made the answers shorter so that I could have taken all the rest of the questions there. But, listen, stay with it and what you're doing here. It may sometimes seem as if it isn't very important, but—and you'll wonder why—but there's a reason for all of it. And you'll look back—and I just told in there on the panel a little experience of my own.

I once sat in the principal's office at about your stage of life. And the principal, for very good reason, said to me, "I don't care what you think of me now." He said, "I am more concerned with what you'll think of me 15 years from now." And 15 years later, I had the satisfaction and the real rewarding experience of facing him again and telling him I understood now, 15 years later, what it was he was trying to do and thanking him for what he was trying to do. So, stay with it. Don't give up.

Note: The exchange began at 3:07 p.m. in the English class in Room 203 of Farragut High School. Following his meeting with the students, he met with Tennessee Republican Party leaders in the school library. He then traveled to Albuquerque, N. Mex., where he met with New Mexico Republican Party leaders at the Albuquerque Hilton Hotel. He remained at the hotel overnight.

Nomination of Howard M. Messner To Be an Assistant Administrator of the Environmental Protection Agency *June 14, 1983*

The President today announced his intention to nominate Howard M. Messner to be an Assistant Administrator of the Environmental Protection Agency (Administration). He would succeed John P. Horton.

Since March 1983, Mr. Messner has served as Controller, Department of Energy. Previously he was Assistant Director for Management Improvement and Evaluation, Office of Management and Budget, in 1977–1983; Assistant Director for Management Programs, Congressional Budget Office, in 1975–1977; Deputy Assist-

ant Administrator for Administration, Environmental Protection Agency, in 1971–1975; and Management Analyst, Office of Management and Budget, in 1965–1971.

Mr. Messner graduated from Antioch College (B.A., 1960) and the University of Massachusetts (M.A., 1962). He is the recipient of the William A. Jump Memorial Award for distinguished service in public administration (1971).

Mr. Messner has three children and resides in Columbia, Md. He was born June 10, 1937, in Newark, N.J.

Remarks at the Annual Convention of the National Parent-Teacher Association in Albuquerque, New Mexico *June 15, 1983*

Thank you all very much, and thank you, Maryann Leverage.

I am most honored to be with all of you for your 87th annual convention, and what a delight to be back in this land of enchantment, a city rich in Indian and Spanish heritage, a place where we're proud to come together with the greeting, "Ya-ta-he-y."

Now, I know the king of the spellers could tell us that those words are spelled y-a-t-a-h-e-y. Blake Giddens, would you mind standing up so we could all say, "Congratulations, champ"? [*Applause*]

This is a very special day for me. I don't believe a group exists which understands better, or does more, than yours to safeguard the value of education for us in our country. Thanks to you, education has been the key that opened the golden door of opportunity and, just as important, it's been the faithful servant of our democracy, preserving the values and the freedoms that we hold so dear.

"Train up a child in the way he should go," Solomon wrote, "and when he is old, he will not depart from it." You in this room are the true guardians of that sacred

trust. You know that good education does not begin in some faraway bureaucracy. It begins in your homes and neighborhood schools, where it's the responsibility of every parent and teacher and the right of every child.

I urge you, send a message to Washington, D.C., and make it loud and clear. Tell them you want the basics in your schools and the parents back in charge. Tell them that education must never become a political football, because your children come first and they must come first.

You know, I've spoken about our need to strengthen educational institutions in America so that America can become more competitive in world markets and so we can protect our national security. Now, all of us know that our schools must meet the demands of an ever more sophisticated technology. Our instruction in English, math, science, and computer programming must be the best. But I hope we never lose sight of the fact that true wealth and security are born in the spirit, conscience, and character of a nation. And here it is again that you,

parents and teachers, who open the eyes and minds of our children to a proud and noble culture. You do it with literature, music, and poetry, and you do it another way that could never be duplicated by government—you do it by giving of yourselves. Every day, in so many personal ways, you show what it means to live a good and worthy life.

I confess, I was not as attentive as I might have been during my classroom days. I seem to remember my parents being told, "Young Ron is trying—very trying." [Laughter] But I also remember the attitudes and actions of my parents and teachers. Sometimes stern, sometimes gentle; always they strived with quiet courage to teach us responsibility, discipline, honesty, tolerance, kindness, and love.

These priceless values cannot be taught from instruction manuals. We can't find them in computer printouts. We can't create them with more Federal spending. They must come from the heart, from your hearts. That's the true source of good citizenship, fine people, and a great country, and I just hope that you never let anyone in Washington forget it.

I couldn't have been happier when I received a letter from Mrs. Leverage in which she wrote, "We think there are ways in which PTA groups around the country can work together with professional educators to upgrade curriculum and to provide assistance to parents to help their children."

I also received a copy of your current contribution to help improve the quality of education, "Looking In On Your School: A Workbook for Improving Public Education." Now, I hope you don't mind if I suggest that we make a little summer assignment. Let's ask parents in America to get that booklet, read it, and follow up on its suggestions. Working together, we can accomplish so much. And we know there is so much to do.

When I ran for President in 1980, I said that this country must recognize the problems in our educational system and start doing something about them. For one thing, many teachers were facing a virtual "mission impossible." I noted at the time that they'd been forced to deal with negative, often destructive trends on outside

their classrooms. We can only admire the dedication with which the great majority have tried to meet these problems, because let's face it: It wasn't teachers who created and condoned the drug culture, sexual license, and violence in our society. It wasn't teachers who encouraged the banality of TV over the beauty of the written word. And it wasn't teachers who asked for a "Washington knows best" attitude that often showered them with rules, regulations, and uniformity, while discouraging the rich variety and excellence of our heritage.

For too long, teachers have been fighting a lonely war, and it's about time they got some reinforcement from the rest of us. And that's one reason I moved early in our administration to do something never tried before.

We wanted a thorough, no-holds-barred study that would stimulate debate and action. So, we set up a bipartisan group called the National Commission on Excellence in Education. Well, as you know, the Commission has just come out with its report card, and it's pretty tough. And, incidentally, let me interject something here. I think the Commission will assure you they never heard a word from me after they were appointed. They were bipartisan, and they had no interference from any level of government.

About 13 percent of our 17-year-olds, they found, are functional illiterates. Among minority youth, the rate is closer to 40 percent. About four-fifths of our high-schoolers can't write a decent essay. Most of them do less than an hour of homework a night. In many schools, the hours spent learning how to cook and drive count as much toward a high school diploma as the time spent studying mathematics, English, chemistry, U.S. history, and biology. Maybe that helps explain why verbal and math college board scores fell 50 and 40 points, respectively, between 1963 and 1980.

Now, some people are already wringing their hands at this bad news and casting about for scapegoats. Well, I believe the report is good news. It can mobilize, energize, and unify this country in a way that we haven't seen for years. Instead of worry-

ing about whether we put together a Republican plan or a Democratic plan, can't we join together on a course of common sense for an American plan?

Let us stand together—parents, teachers, concerned citizens—and say “no” to all those who would divide, delay, and drag us down. And let us say “yes” to the challenge of a national agenda for excellence that will reach every child in our land.

America is no second-best nation. We came back from Pearl Harbor to win the greatest military victory in history. We came back from the shock of Sputnik to send our astronauts to the Moon and bring them safely home. I believe the nation that met these great challenges can surely meet another. Let us resolve today, the United States will not only reverse its decline in college board scores, we will raise verbal and math scores at least 50 points, and do it within the next decade.

Now, some insist the only way to meet this challenge is with one big, five-letter word: money. Well, we could travel down that road, but it won't be a new road to education's promised land. By now, it's an old road that leads to a dead end in learning.

During the 20-year period between 1960 and 1980, spending on education was shooting up and up. But by 1963 college board scores began going down and down. Total spending on education increased in that period almost 600 percent. At the Federal level, spending on education increased twice as fast as spending on defense. Those who argue about the exact level of spending are missing the key point. The question I urge every concerned citizen to ponder is this: If a 600-percent increase couldn't make America smarter, how much more do we need?

I believe common sense tells us we don't have an education problem because we're not spending enough, we have an education problem because we're not getting our money's worth for what we spend. Now, there are some areas such as teachers' salaries where new incentives are clearly needed for better pay. This can be best done at the State and local level. But there are many more areas where the agenda for excellence is not spelled “more spending,”

but “better learning.”

At the core of the Commission's report and our agenda are two themes that I've long advocated. First, true excellence in education will require much greater emphasis on the basics—basic skills of learning and teaching with discipline, basic standards and rewards for excellence, and basic values of parental involvement and community control. Second, to meet the demands of this fast-changing world, we need also to broaden our vision of education. Education must become more than just the province and responsibility of our schools. It's also an integral part of our homes, churches, synagogues, communities, and workplaces. And we must recognize that.

To advance our agenda for excellence, I strongly endorse the Commission's fundamental recommendations. The Commission seeks to require 4 years of English in high school, 3 solid years each of math, science, and social studies, and one-half year of computer science. It wants more and longer school days, tighter discipline, higher goals, and tougher standards for matriculation and graduation. It calls for improved preparation for teachers and better rewards for teachers who excel. And I say, amen.

And it asks the citizens of America: Hold your educators and elected officials responsible for carrying out these reforms. And I hope you'll promise me today you'll make darn sure this will be done.

The Commission recognizes that school officials must take the lead in developing community support and that States and localities have the primary responsibility for school finance. We're already seeing strong evidence that the Commission's report touched a nerve. All over America, it's stimulating debate and sparking action. The Florida State House has passed the Commission's basics curriculum. The board in Ypsilanti, Michigan, has voted to extend their elementary school day and raise high school graduation requirements. In Illinois, high school graduation requirements are also being increased. Ditto for Washington State and, also, Virginia, where the school board of education plans to overhaul their public school curriculum this summer.

As President, I intend to do everything I

can to promote and enhance these reforms and to broaden the scope of education throughout our society. For example, to help reform the education system, there are areas where the Federal Government can make a direct contribution. Being prepared for the new era of high technology will require improved teaching of math and science, so we have proposed legislation to stimulate training of more math and science teachers. We're beginning a new program—one I'm participating in myself—to honor some of America's best math and science teachers.

And our efforts go beyond math and science. Bill Bennett, our Chairman of the National Endowment for the Humanities, is offering summer seminars so high school teachers can increase their teaching competence in history, literature, and the other humanities.

We want to provide more opportunities for parents, so we're proposing education savings accounts to help hard-working families save for college education. As parents, we want to enable you to save up to \$1,000 per year, per child, with no tax on the interest.

Now, I happen to believe that just as more incentives are needed within our schools, greater competition is needed among our schools. Without a race, there can be no champion, no records broken, no excellence in education or any other walk of life.

As President, I intend to do everything I can to promote and enhance these reforms and to broaden the scope of education, to help the education system, and to make a direct contribution. Where the Federal Government is not making a direct contribution, we can provide leadership to highlight local programs that merit special attention. Yesterday, I had the great pleasure of meeting with the dynamic young Governor of Tennessee, Lamar Alexander. He is pushing a simple idea which I believe is long overdue for our country—merit pay increases to attract and keep the very best people in the teaching profession.

Governor Alexander understands why Tennessee needs these incentives so badly. He says, "Not one State system pays one public school teacher one penny more for

doing a good job teaching." He says, "The most important part of the system, the people in it, are encouraged toward mediocrity by low wages, lifetime contracts, little real evaluation, and not one penny of pay for performance."

Teachers should be paid and promoted on the basis of their merit and competence with real rewards for excellence. Rewarding personal initiative and productivity has always been our secret for success. Unfortunately, the idea of merit pay may enjoy wide support in Tennessee and across the country, but it is adamantly opposed by the leadership of the NEA [National Education Association]. They cling to a payscale based on seniority and the number of college credits earned.

When I spoke out for merit pay, a representative of the NEA called my statement "a disgraceful assault" on the teaching profession. Well, frankly, that surprised me, because the national Commission directly addressed this issue when it said, "Persons preparing to teach should be required to meet high educational standards . . . and to demonstrate competence in an academic discipline."

The report said, "Salaries for the teaching profession should be increased and should be professionally competitive, market-sensitive, and performance-based. Salary, promotion, tenure, and retention decisions should be tied to an effective evaluation system that includes peer review, so that superior teachers can be rewarded, average ones encouraged, and poor ones either improved or terminated."

I sincerely believe the leadership of the NEA is mistaken. In all due respect, I must ask them, if we test other professionals, why shouldn't we test the people who will be responsible for teaching our children? And if we can evaluate people in other professions and reward them for superior results, why should our schools be different?

We want to work with NEA's leadership, but until it relaxes its opposition to the badly needed reforms the country wants in hiring, salary, promotion, and tenure, the improvements that we so desperately need could be delayed.

We're trying to broaden community sup-

port for education so it, in turn, can more effectively serve society and strengthen democracy. We're urging corporations, community organizations, and neighborhood groups across the country to adopt schools and help them meet their educational and vocational needs with funds, equipment, and personnel. There's a wealth of talent, training, and wisdom among the members of our communities, whether it be in business, labor, the professions, or the military. Learning from the achievers of America can greatly enrich the educational experience of our children. And I'm happy to say that this is spreading already, just with the announcement of the Commission's report across the country. People are lining up and volunteering, wanting to be of help to their local school systems.

There's no barrier that can stop our climb toward excellence if good and decent people like you will it to be. But make no mistake, there remains a dark and dangerous enemy who could perilize our progress unless we mobilize to defeat him. Together, we must eliminate the spectre of drug and alcohol abuse that poisons the minds and bodies of America's next generation. I deeply appreciate all that you are doing to help combat this threat. And, if you'll forgive me for doing a little bragging, I think you and Nancy make a mighty fine team.

I have one final request. I know this may often be laughed and sneered at in some sophisticated circles, but ours is a Judeo-Christian heritage, and ours is a loving and living God, the fountain of truth and knowledge. I can't help but believe that He, who has so blessed this land and made us a good and caring people, should never have been expelled from our classrooms. *[Applause]* Thank you. Thank you very much. Thank you.

The first amendment was never written to exclude religion from our schools. It says, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof." Those words could not be more plain. George Washington warned us that, "Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports." He added, "Reason and experience both forbid us to expect that national moral-

ity can prevail in exclusion of religious principle."

I urge the Congress to stand absolutely firm for the right of religious freedom. Let our children begin their days as those before them did—and as many of you still do—with prayer.

Working with you, our parents and teachers, trusting in your sound judgment and hard work, in your fairness and your faith, we can and we will climb that lofty peak to excellence in education. Clark Mollenhoff, a tough-minded journalist who also understands the crucial importance of parents and teachers, said it very well in a poem he wrote called "Teacher":

You are the moulders of their dreams—
Heroes who build or crush their young
beliefs in right or wrong.

You are the spark that sets afire a
poet's hand,
Or lights the flame in some great singer's song.

You are the idols of the young—the
very young.

You are their models, by profession set
apart.

You are the guardians of a million
dreams.

Your every smile or frown can heal or
pierce a heart.

Yours are one hundred lives—one thousand lives.

Yours is the pride of loving them, the
sorrow, too.

Your patient work, your touch, make
you the source of hope

That fills their souls with dreams, and
make those dreams come true.

Thank you very much, and God bless you all.

Note: The President spoke at 10:07 a.m. in the Kiva Auditorium at the Albuquerque Convention Center following remarks and an introduction by Maryann Leverage, president of the National PTA. In his remarks, the President referred to 14-year-old Blake Giddens, winner of the 56th annual Scripps-Howard National Spelling Bee.

Following his remarks at the convention, the President returned to Washington, D.C.

Appointment of Catalina Villalpando as Special Assistant to the President for Public Liaison

June 15, 1983

The President today announced the appointment of Catalina Villalpando to be Special Assistant to the President in the Office of Public Liaison with responsibility for relations with the Hispanic community.

Ms. Villalpando recently served as the voter groups coordinator for the Texas Republican Party. Previously she was a consultant to the ACTION agency and served in the Office of Presidential Personnel at the White House. Ms. Villalpando was an active volunteer in the Reagan-Bush campaign in 1980. Before these activities, she operated her own consulting business in Texas and was employed by the Minority

Business Development Agency in the Department of Commerce in the late 1970's.

Ms. Villalpando is a board member of the Southwestern Voter Registration Education Project, Texas Federation of Republican Women, LULAC, and the GI Forum. She also serves on the Texas Advisory Committee for the United States Commission on Civil Rights and the Secretary's Advisory Committee on Small and Disadvantaged Business Utilization in the Department of Transportation.

Ms. Villalpando attended Southwest Texas State University. She was born April 1, 1940, in San Marcos, Tex.

Message to the Congress Transmitting the Annual Report on Federal Advisory Committees

June 16, 1983

To the Congress of the United States:

In accordance with the Federal Advisory Committee Act, I am pleased to transmit the Eleventh Annual Report on Federal Advisory Committees.

In 1982, advisory committees afforded a unique opportunity for over 19,000 private citizens of all backgrounds to provide valued and needed counsel to Federal officials in establishing policies and improving operations of the government.

In keeping with the strong commitment of this Administration to promote voluntary citizen participation in government, by year end the number of chartered advisory committees increased by three percent over the previous year, reaching the highest level since 1976. At the same time, government agencies utilizing these committees achieved a further overall reduction in committee operating costs. In 1982, committee operating costs totaled \$74 million, 7.5 percent lower than in 1981, and 15.2 percent below comparable 1980 levels.

In 1983, the opportunity exists for additional improvements in the management and cost-effectiveness of advisory committees. New guidance and information prepared by the General Services Administration and contained in this report will provide agency management with the ability to realize this opportunity.

Consistent with my belief that the strength of this Nation flows from the talent and resourcefulness of its people, we shall foster and support the continued active use of advisory committees in the government decision-making process.

RONALD REAGAN

The White House,
June 16, 1983.

Note: The report is entitled "Federal Advisory Committees, Eleventh Annual Report of the President—Covering the Calendar Year 1982" (Government Printing Office, 136 pages).

Message to the Congress Transmitting the Annual Report on Federal Energy Conservation Programs

June 16, 1983

To the Congress of the United States:

Transmitted herewith for your consideration is the annual report on Federal Energy Conservation Programs required by Section 381(c) of the Energy Policy and Conservation Act (42 U.S.C. 6321(c)).

The report covers the implementing activities undertaken by Federal agencies during FY 1981 to fulfill the requirements of Section 381 (a) and (b) of the Act. The report describes actions within the Federal government, implementing energy conservation and efficiency standards in procurement activities and progress towards developing a 10-year plan for improving the

energy efficiency of Federally-owned or -leased buildings. It also describes programs for carrying out public education activities to encourage energy conservation and efficiencies and to promote carpooling and vanpooling arrangements.

RONALD REAGAN

The White House,
June 16, 1983.

Note: The report is entitled "Fifth Annual Report to Congress on Federal Energy Conservation Programs, Fiscal Year 1981—May 1983, U.S. Department of Energy."

Letter to the Chairmen of the House and Senate Armed Services Committees on Defense Nuclear Waste Disposal

June 16, 1983

Dear Mr. Chairman:

In accordance with the requirements of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1982, I am submitting to the Committee a reference plan on the permanent disposal of nuclear wastes resulting from atomic energy defense activities prepared by the Department of Energy.

As you know, this Administration is strongly committed to putting in place the means for disposing of nuclear wastes. Earlier this year I signed into law the Nuclear Waste Policy Act of 1982. In addition, construction will begin in South Carolina this fall of a large scale plant to solidify nuclear waste. This plant, to be completed in 1989, will encapsulate nuclear waste in a form suitable for final disposal in a future underground repository. Also, once the necessary approvals are obtained, we plan to move ahead with full construction of the Waste

Isolation Pilot Plant in New Mexico. This research and development facility is intended to demonstrate the safe disposal of radioactive waste from national defense programs.

Your Committee has supported our resolve to address this seemingly intractable problem, and I welcome your continued support.

The Plan I am submitting will provide a valuable context for use by the Administration and the Congress in considering defense nuclear waste activities to be proposed in future years. It is important to note, however, that the Plan has not been subjected to the normal budget review process of the Executive Branch. The future activities covered in this document can be regarded as logical sequential steps. But the precise timing and scope of the disposal activities to be pursued need to be considered as part of the annual budget process.

For the near term, we will continue to store existing wastes in a safe and environmentally sound manner.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to John Tower, chairman of the Senate Armed Services Committee, and Melvin Price, chairman of the House Armed Services Committee.

The reference plan is entitled "The Defense Waste Management Plan, April 1983."

Remarks at the Presentation Ceremony for the Presidential Scholars Awards

June 16, 1983

Thank you very much. This is not exactly the climate for me to have kept you waiting out here in the sunshine. I've been across the street in the Executive Office Building doing all sorts of important things—while I fidgeted, watching the clock go by.

It's a privilege to welcome such a distinguished group of high school seniors to the White House, along with your parents, teachers, and Members of the Congress. And on behalf of a proud nation, I congratulate the 1983 Presidential Scholars on their achievements. You are America's future and symbolize her greatest hopes. You're among our best young achievers not only in book learning but in the arts and in leadership. Your very presence here represents the commitment of your communities and your country to excellence in education.

For a democracy to function, its people must understand not only reading, writing, and arithmetic but literature, history, and values. Someone once said that, "if you think education is expensive, you should try ignorance." And that sums up the situation pretty well. To be American means to understand that education is the key that opens the golden door of opportunity and, just as important, it's been the faithful guardian of our democracy. It's preserved the conscience and the character of our nation.

We know that knowledge and freedom are inseparable, and so it's no accident that we are the freest people on Earth. And we who are that, built an educational system unrivaled in the history of civilization. You're among its finest graduates, so a great

deal of responsibility naturally falls upon you. Many of you wrote in your essays about the debt you owe your families, communities, and schools, and how you intend to pay them back. I'm glad you feel that way. America needs your commitment, your knowledge, and your education. Your country has made an enormous investment in you, and we're relying on your energies and abilities to carry us into the next century—free and strong and prosperous.

While you finish your education, I plan to work with your parents and teachers and business and labor, civic and government leaders in a national drive for educational excellence. Although your instruction, obviously, has been superb, a study commissioned by my administration warned that the overall quality of American instruction was declining dangerously. As a result, we're taking steps to ensure that every young person in America receives the best education possible. One priority is to weed out teachers who can't teach and promote those who excel. We're looking into ideas like merit pay and the master teachers programs. But perhaps most importantly, we want to make ours an agenda behind which all our people can unite.

Your generation is coming of age in one of the most challenging and exciting times in our history, and we must be certain that you're prepared. High technology is revolutionizing our industries, renewing our economy, and promising new hope and opportunity in the years ahead. There's a dazzling new world waiting for you, and you must be sure to have the training and skills to

compete for its rewards with anyone, anywhere. And we must also be sure that you have the vision to use them wisely.

I know all of you want to pursue your dreams in a peaceful and secure world. Like every other generation, you want the world you inherit to be one of hope, free from conflict. I have no higher priority than to make such a world possible. The prevention of conflict and reduction of weapons are subjects that concern us all.

I know many of you and your friends back home are concerned by the destructive capability of the world's nuclear weapons. Well, I want to make something very plain. I pray for the day when nuclear weapons will no longer exist anywhere on Earth.

During this administration, the United States has launched the most far-reaching programs of arms reduction initiatives and negotiations in history. Never before has any nation engaged in so many major, simultaneous efforts to limit and reduce the instruments of war. And we're determined to follow them through, day after day after day, until we succeed. We're now better able to do this because of more truly bipartisan support of our arms control proposals. With patience, resolve, and national will, I am convinced that we can reach equitable, verifiable agreements and actually reduce nuclear arsenals on both sides.

As you know, a very important ingredient of a good education is to learn well the lessons of history. Your studies must show in painful detail all that your parents and grandparents have sacrificed so that you can be free. You can be proud today that your country is contributing to this valiant struggle for peace. We're keeping our military strong for only one reason—to deter any adversary from thinking it can achieve its goals through war. The Americans who came before you learned horrible lessons about taking the easy way out of challenges to freedom. No war in this century started because America was too well prepared. Every one was triggered because some tyrant, somewhere, figured we were off guard. The highest cost in American lives were paid not because we were too strong, but because we were thought to be weak.

In these last 2½ years, the enormity of

my responsibility to preserve the peace has made my commitment to peace even deeper. But it is a complex and a difficult subject. Some may wish we could unilaterally disarm because they imagine others would follow. Well, we tried that; it didn't work. You have a responsibility and a right to speak out about your concerns. Here, as well as back home, we have that right because we're Americans. But let us always remember with that privilege goes a responsibility to be right.

We live in a free country. There's no room for dissent in other societies, with which we're too familiar. There, such dissent will cause a noted scholar to be committed to a mental hospital or stripped of his rights to study and work with his colleagues. We must not ignore those powerful forces who have no respect for our traditions of freedom and who would like to make the world over in their image.

It is the responsibility and historic obligation of each of us to do what we can to ensure that America is strong enough economically, militarily, spiritually to remain both free and at peace.

I commend those of you who have earned your medallion and the right to the title "Presidential Scholar." Let this award be both a recognition of past accomplishments and a challenge to excel in the years ahead. Your parents, teachers, and others deserve all our thanks for encouraging you this far, but now it's up to you. What you've learned is a beginning, not an end. Keep your minds open to new thoughts and new ways of thinking. We're counting on you to understand and shape a better world tomorrow.

We're waiting to pass the mantle of responsibility to you for the freedom and prosperity of generations of Americans waiting to be born. Remember one thing: Freedom is never more than one generation away from extinction. Every generation has the responsibility to preserve it and then pass it on to the next generation, or it will be gone forever.

So, I congratulate all of you and thank all of you very much. And God bless all of you.

Note: The President spoke at 11:49 a.m. at

the ceremony on the South Lawn of the White House.

Prior to the President's appearance, Secretary of Education Terrel H. Bell, assisted by Beverly Fischer, Chairman of the Commission on Presidential Scholars, presented 141 graduating high school seniors with the Presidential Scholar medallion, which commemorates their designation.

The Commission on Presidential Scholars is a group of private citizens appointed by the President to select the scholars. Presently in its 19th year, the Presidential Scholars program recognizes students for their outstanding achievement, leadership abilities,

and involvement in school and community activities. One young man and one young woman are selected from each State, the District of Columbia, Puerto Rico, and Americans living abroad. Fifteen are selected at large, and 20 are recognized for their accomplishments in the visual, creative, and performing arts.

Earlier in the morning, the President met in the Oval Office with 17-year-old Ariela Gross, a Presidential Scholar from Princeton, N.J. Ms. Gross gave the President a petition, signed by 14 scholars, calling for a nuclear freeze.

Statement on the United States Supreme Court Decision on Abortion

June 16, 1983

Our society is confronted with a great moral issue—the taking of the life of an unborn child. Accordingly, I join millions of Americans expressing profound disappointment at the decisions announced by the Supreme Court in striking down several efforts by States and localities to control the circumstances under which abortion may be performed.

As Justice O'Connor emphasized in her

dissenting opinion joined by Justices White and Rehnquist, the legislature is the appropriate forum for resolving these issues. The issue of abortion must be resolved by our democratic process. Once again I call on the Congress to make its voice heard against abortion on demand and to restore legal protections for the unborn whether by statute or constitutional amendment.

Executive Order 12425—International Criminal Police Organizations

June 16, 1983

By virtue of the authority vested in me as President by the Constitution and statutes of the United States, including Section 1 of the International Organizations Immunities Act (59 Stat. 669, 22 U.S.C. 288), it is hereby ordered that the International Criminal Police Organization (INTERPOL), in which the United States participates pursuant to 22 U.S.C. 263a, is hereby designated as a public international organization entitled to enjoy the privileges, exemptions

and immunities conferred by the International Organizations Immunities Act; except those provided by Section 2(c), the portions of Section 2(d) and Section 3 relating to customs duties and federal internal-revenue importation taxes, Section 4, Section 5, and Section 6 of that Act. This designation is not intended to abridge in any respect the privileges, exemptions or immunities which such organization may have acquired or may acquire by international agreement or

by Congressional action.

RONALD REAGAN

The White House,
June 16, 1983.

[Filed with the Office of the Federal Register, 11:59 a.m., June 17, 1983]

Message to the Congress Transmitting the United States-Norway Agreement on Social Security *June 16, 1983*

To the Congress of the United States:

Pursuant to section 233(e)(1) of the Social Security Act as amended by the Social Security Amendments of 1977 (P.L. 95-216, 42 U.S.C. 433(e)(1)), I transmit herewith the Agreement between the United States of America and the Kingdom of Norway on Social Security, the Final Protocol to the Agreement, and the Administrative Agreement for the Implementation of the Agreement, all signed on January 13, 1983.

These United States-Norway agreements are similar in objective to the social security agreements already in force with Italy, the Federal Republic of Germany, and Switzerland. Such bilateral agreements, which are generally known as totalization agreements, provide for limited coordination between the United States and foreign social security systems to overcome the problems of gaps

in protection and of dual coverage and taxation for workers who move from one country to the other.

I also transmit for the information of the Congress a comprehensive report prepared by the Department of Health and Human Services, which explains the provisions of the Agreements and provides data on the number of persons affected by the Agreements and the effect on social security financing as required by the same provision of the Social Security Act.

The Department of State and the Department of Health and Human Services join with me in commending the United States-Norway Social Security Agreement and related documents.

RONALD REAGAN

The White House,
June 16, 1983.

Letter to the Speaker of the House and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict *June 16, 1983*

Dear Mr. Speaker: (Dear Mr. Chairman:)

During the period since my last report, there has been considerable international focus on Cyprus. The Cyprus question was debated in the U.N. General Assembly which adopted a Resolution on May 13 calling for "meaningful, result-oriented, constructive and substantive negotiations" between the two communities. Approximately 50 countries spoke in the Assembly and supported continuation of the intercom-

munal talks under the aegis of the Secretary General. We reaffirmed our commitment to the success of the Secretary General's good offices role although we abstained on the Resolution, believing it contained elements potentially unhelpful to the intercommunal talks.

Now that the U.N. General Assembly session is past, we anticipate a period of re-evaluation by both communities. We expect, nevertheless, representatives of the two communities to return to the intercom-

munal talks. We continue to believe those talks hold the best prospect for finding answers to the problems of Cyprus.

On May 6 the U.N. Secretary General issued a report (a copy of which is attached) on the question of Cyprus in which he notes that the intercommunal talks, although recessed for the Greek Cypriot elections, reconvened in April in "a cooperative and constructive atmosphere."

The Secretary General, within his Security Council mandate, has pledged to "make every effort to give fresh impetus to the process" of the talks, an effort we fully support.

Assistant Secretary of State Richard Burt visited Cyprus during the period for in-depth discussions with leaders of both communities and with U.N. officials. Other diplomatic representatives also remain in close contact with all parties to the problem.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and Charles H. Percy, chairman of the Senate Foreign Relations Committee.

Reappointment of Three Members of the National Commission for Employment Policy

June 16, 1983

The President today announced his intention to reappoint the following individuals to be members of the National Commission for Employment Policy for terms expiring May 24, 1986:

Jack A. Gertz is manager of public affairs and media relations for A.T. & T. in Washington, D.C. He is married, has one child, and resides in Potomac, Md. He was born April 10, 1916, in Chugwater, Wyo.

Paul R. Locigno is director of government relations for the International Brotherhood of Teamsters. He is married, has one child, and resides in Windham, Ohio. He was born September 17, 1948.

Roderick R. Paige is professor of health and physical education at Texas Southern University. He is married, has one child, and resides in Houston. He was born June 17, 1933, in Monticello, Miss.

Remarks at a Dinner Honoring Senator Jesse Helms of North Carolina

June 16, 1983

The President. Thank you very much and—

Audience member. How sweet it is! [Laughter]

The President. And, Jesse, from the bottom of my heart, thank you for those wonderful thoughts and words. Now I know why people say, "Let Helms be Helms." [Laughter]

Jesse was in Washington before I arrived. In fact, let me say this straight off. Thanks to Jesse Helms, his friendship and commit-

ment, we can say tonight our grassroots movement is alive, well, and getting stronger every month as America strides forward on the road to greatness again.

You've heard that a faithful friend is the medicine of life. Emerson said, "The only gift is a portion of thyself." Well, I happen to know this is true. I know it, because Jesse proved it to me. There was a time in 1976 when many people were writing off my candidacy, and Jesse Helms didn't. He came to me and said, "Governor, if you would

just speak on the issues to the people of North Carolina, I will get that message broadcast and personally send it to every corner of the State.”

Well, I did what the doctor ordered—[laughter]—and Jesse really came through. I’ll never forget that Saturday before the Tuesday primary. The press was asking only one question: When would I quit the race? Well, we didn’t quit and, thanks to Jesse, we won big—big enough to come close and then come back to win it all in 1980.

You don’t forget how a man like Jesse cares about you and the people of North Carolina. You don’t forget his kind of courage and compassion—like when he helped rescue a fellow citizen’s wife from Poland after imposition of martial law; like when he cut through redtape to bring home from China another citizen stricken with a blood clot on the brain; like when he helped a North Carolina woman locate and contact her injured husband serving with the Marines in Lebanon.

We’ll never forget how he battled, especially during those first lonely years, to protect our liberties, preserve our family values, and keep America strong. There he was, standing day after day to a government Goliath, crying out like a voice in the wilderness. He was a trailblazer who trusted Andrew Jackson’s words that, “One man with courage makes a majority.”

Gradually, his amendments that had won only 5, 10, and 15 votes were winning 30 and 40 and 50. And bit by bit, he became more than a lonely crusader. He grew into a lionhearted leader of a great and growing army. So, Jesse, we just want you to know the reinforcements are here, the cavalry is ready, and we intend to march with you until victory is yours on Election Day, 1984.

You know, Sam Ervin, a great Democrat and patriot, said of Jesse, “I admire Senator Helms very much, because he’s one of the few men in public life who’s got the courage to stand up for what he honestly believes. Courage is the rarest trait among public men I know of. Many of them are intelligent, but there are very few of them courageous.”

We’ve seen the kind of courage that Sam Ervin speaks about. Here in Washington, there is great sympathy for practically any

scheme to spend more money. But for years, Jesse Helms has been telling the truth: Government can only spend what it borrows or taxes away. And working Americans who pay this nation’s bills need higher taxes like they need a plague of locusts.

If the liberals in the Congress had their way, the American people would never have received any tax cut—no first year, no second year, no nothing. If we had followed their definition of compassion, the average family of four would be paying nearly \$700 in higher taxes in 1983. But they don’t have to. [With] the unwavering support from Jesse, we passed the first decent tax rate reduction for every working American since 1964. And I promise you, the final 10 percent reduction will go into effect July 1st, and it will be followed by indexing in 1985.

Indexing is an historic reform. It’s our promise to every working man and woman that their future will be better than their past. There will be no more sneaky midnight tax increases by a government which uses bracket creep so it can spend and spend and spend. To pretend that eliminating indexing is somehow fair to wage earners reminds me of Samuel Johnson’s comment about the fellow who couldn’t see any difference between virtue and vice. Samuel said, “When he leaves our house, let us count our spoons.” [Laughter]

If ever there was a litmus test on fairness for the average American taxpayer, indexing is it. Indexing will not help those who are already in the top brackets; it will protect working people from being pushed by inflation into those same high brackets. And that’s why I think it’s important for the people of North Carolina to know that Jesse Helms has given a rock-solid pledge to defend indexing. But his likely opponent has already said that it’s probably a good idea, this eliminating indexing. So you tell me: Who’s determined to protect the people’s real interests?

You know, there’s a little figure that I’d like to give here right now, because I asked for it the other day. You know, there’s some talk about that usual breaking point—\$50,000 a year. It’s all right to clobber anyone that’s making \$50,000 or up, and it’s

been that way for many, many years. That's been the sort of dividing line between big money and just ordinary money. But there's been a thing for a number of years, thanks to some people we won't mention here, called inflation. And I got a little curious. How long are we going to keep using that figure? And I said, "Tell me something. Find out for me what is \$50,000 a year now as to what it was 10 years ago. Is it still that same breaking point between big money and little?" And do you know how much you have to make today to be where you were at \$50,000 10 years ago?—\$113,850. That's now the breaking point.

So, when they start telling you "We can do something for everybody below \$50,000 but not above," you're talking about clobbering an awful lot of people that are out there in the middle-income and lower-income brackets, trying to send the kids through school and stay even with what inflation has done to them.

Jesse, I hope the good people of North Carolina won't mind if I tell them how effective you've been as chairman of the Senate Agriculture Committee, the first chairman from North Carolina in nearly 150 years. Without you, there probably would be no tobacco program.

I also want to thank you, Jesse, for your great help in strengthening our foreign policy and standing up for a strong national defense, making America second to none. You and I both know that this debate on defense is about more than deficits and rooting out waste, as important as they are. It's about protecting lives and preserving freedom, because that's the source of all our other blessings. What occurred during the last decade when the Soviets raced ahead militarily while we stood still was dreadfully wrong. We believe it's immoral to ask the sons and daughters of America to protect this land with second-rate equipment and weapons that won't work. We can only keep our families safe and our country at peace when the enemies of democracy know America has the courage to stay strong. And Jesse Helms and I intend to make sure they know that.

Jesse is chairman of the Senate Subcommittee on Western Hemisphere Affairs. He understands that we have vital interests in

helping our neighboring countries in Central America. Either we pay a small price now with mostly economic but some military assistance so we can prevent a crisis, or we listen to the do-nothings and risk an explosion of violence and millions of refugees on our doorstep later on. Make no mistake: The United States must and will support our friends who are building and defending democracy in Central America. We will not permit dictators to ram communism down the throats of innocent people in one country after another.

You know, the other day the Soviet paper, Pravda, actually said something I support. It said that peace in Central America is possible only on the basis of respect for the right of each people to choose, itself, its way of life. Well, I would only add this: the two perfect places to begin are Cuba and Nicaragua, where free and democratic elections are not permitted.

You know, to those dictators we say, "Prove to the world your system is legitimate. Prove you're not afraid of your own people. Put down your guns. Permit a free press. Let your people vote." Then we'll see if they truly desire the endless repression and regimentation, or the chance for a new life with dignity and opportunity and freedom.

We Americans are blessed in so many ways. We're a nation under God, a living and loving God. But Thomas Jefferson warned us, "I tremble for my country when I reflect that God is just." We cannot expect Him to protect us in a crisis if we turn away from Him in our every day living. But you know, He told us what to do in II Chronicles. Let us reach out to Him. He said, "If my people, which are called by my name, shall humble themselves and pray and seek my face and turn from their wicked ways, then will I hear from Heaven and will forgive their sin and will heal their land."

Jesse understands this. That's why he's worked so hard and will deserve so much credit when two blessed days arrive, finally arrive—the day when we welcome the Lord back into America's classrooms and the day when we protect the lives of the unborn child.

Jesse, I know that you feel within you a sense of calm. You have placed your life in His hands. And with your faith, honor, and good works, it is we who can be thankful to say, "Jesse Helms is my friend."

Thank you very much, and God bless you all.

Note: The President spoke at 8:16 p.m. in the main ballroom at the Sheraton Washington Hotel.

Proclamation of Amendments to the International Regulations for Preventing Collisions at Sea, 1972 *June 16, 1983*

By the President of the United States of America

A Proclamation

The Convention on the International Regulations for Preventing Collisions at Sea, 1972, 28 U.S.T. 3459 (the "Convention"), was signed at London on October 20, 1972, was proclaimed by the President of the United States on January 19, 1977, and entered into force for the United States on July 15, 1977.

The International Maritime Organization, in accordance with Article VI of the Convention, by its resolution A. 464 (XII), at London on November 19, 1981, adopted amendments to the Convention. The amendments, which entered into force for the Contracting Parties on June 1, 1983, relax lighting requirements for smaller vessels and clarify the language of the existing regulations. A copy of the amendments, as corrected by a procès-verbal of rectification, is annexed to this Proclamation and made a part hereof.

On January 27, 1983, these amendments were transmitted to the Congress of the United States, consistent with section 3(d) of the International Navigational Rules Act of

1977 (91 Stat. 308; 33 U.S.C. 1602).

Now, Therefore, I, Ronald Reagan, President of the United States of America, by the authority vested in me by the Constitution and the laws of the United States, including section 3(d) of the International Navigational Rules Act of 1977, do hereby declare and proclaim that these amendments to the Convention shall be effective on and after June 1, 1983, for the United States of America, the citizens of the United States of America, and all other persons subject to the jurisdiction of the United States of America.

In Witness Whereof, I have hereunto set my hand this 16th day of June, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

Note: The amendments are printed in the Federal Register of June 23, 1983, as United States Coast Guard regulations.

The text of the proclamation was released by the Office of the Press Secretary on June 17.

Nomination of Millicent Fenwick for the Rank of Ambassador While Serving as United States Representative to the United Nations Food and Agriculture Organization

June 17, 1983

The President today announced his intention to nominate Millicent Fenwick, of New Jersey, for the rank of Ambassador during the tenure of her service as United States Representative to the Food and Agriculture Organization in Rome.

Mrs. Fenwick was associate editor of Conde Nast Publications, Inc., in New York, N.Y., in 1938–1952. In 1969–1972 she served in the New Jersey State Assembly in Trenton, N.J., and was New Jersey director of the division of consumer affairs in 1973–

1974. She was United States Representative from the State of New Jersey in Washington, D.C., in 1975–1983. Since 1983 she has been United States Representative to the Food and Agriculture Organization in Rome.

Mrs. Fenwick attended Columbia University and the New School for Social Research. Her foreign languages are French, Italian, and Spanish. She was born February 25, 1910, in New York, N.Y.

Remarks of President Reagan and Provisional President Alvaro Alfredo Magaña Borja of El Salvador Following Their Meetings

June 17, 1983

President Reagan. President Magaña and I have had a cordial and a very useful exchange of views on the situation in El Salvador and in Central America. At this time, his government is deeply involved in preparations for Presidential elections and is attempting through the Peace Commission to encourage the participation in the electoral process of all Salvadorans, including the extreme left. This is the true path of peace for that country.

We discussed the military situation in El Salvador. President Magaña also detailed his government's reform efforts, including the land reform program and the recently announced plan for judicial reform. He reaffirmed his government's commitment to human rights.

Regionally, our talks focused on the threat posed by Nicaragua to other countries in Central America. We reviewed the status of the Contadora initiative and the efforts of democratic countries in the region to find a peaceful solution.

President Magaña is a courageous and talented leader. He's making admirable prog-

ress in the difficult task of moving El Salvador toward democracy while at the same time coordinating a defense against Marxist-led guerrillas who would turn his country into a Cuban-style dictatorship. President Magaña, the Government of El Salvador, and the people of that brave country deserve and have our support. And it's a great pleasure to have you here.

President Magaña. Thank you, Mr. President, for your encouraging words. We believe in democracy, liberty, and all the principles that have made this country great. We welcome your support, and we want a lasting peace through democracy. This is the summary of the remarks that I'm going to make.

[At this point, President Magaña, whose opening remarks were delivered in English, began reading in Spanish from a text. As printed below, the remainder of this item follows the text as prepared by the Salvadoran Government and made available by the Office of the Press Secretary.]

Message of the Constitutional President of the Republic of El Salvador, Dr. Alvaro Magaña, in

the presence of the President of the United States of America, Ronald Reagan, on the occasion of the official visit of President Magaña to Washington, D.C.

My visit to the United States of America is made in order to strengthen the ties that have historically united us with this country.

It is a propitious opportunity to present to the people of the United States of America a true picture of my country and of the goals we have set within the context of the difficult conditions which confront us. These goals sustain our conviction that President Reagan is giving his support to a legitimate government, and to the just cause of the Salvadoran people for maintaining and consolidating a democratic system in accordance with the tradition of liberty and human solidarity which have constituted the basis for the birth and the greatness of the United States of America.

The situation in El Salvador is part of a world situation of economic crisis and ideological conflict. However, our problems are not solely the result of external factors. For a long time, social and economic inequalities have been obstacles to the full development of democracy. They have provided the opportunity for extra-hemispheric interests, most particularly those of the Soviet Union and her satellites working through two Latin American countries to make us victims of their expansionistic policy.

Our government is the outcome of the electoral decision of the Salvadoran people, who on March 28, 1982, risked their lives in order to choose overwhelmingly and without doubt the democratic system as a preferred form of political organization. Consequently, my government is not the result of one or another ideological faction having prevailed: rather it is the clear and constitutional expression of the sovereign will of the people expressed in the most multitudinous free election known in our entire history.

With this legitimate mandate of the vast majority of Salvadorans the Government of National Unity was formed. On August 3, 1982, we adopted the basic platform, now known as the "Apaneca Pact". This pact includes the common objectives of the political parties expressed during the electoral campaign. These objectives included progress toward peace, democracy, full respect for human rights, consolidation of social reforms and economic recovery: all of which are being carried out in spite of the adverse circumstances, national and international, that we face.

In order to insure the accomplishment of these objectives put forth by the platform, a political commission was set up. This commission being composed of the Constitutional President of El

Salvador, the Foreign Minister, the Defense Minister and representatives of the political parties. The commission is assisted by other organizations which are responsible for each of the specific objectives.

Respect for human life and the physical integrity, along with the dignity of all Salvadorans is the responsibility of the Commission on Human Rights and the constant concern of my Government. I am pleased to say that in order to safeguard those human rights, we have adopted concrete and pragmatic measures, such as the granting of amnesty, accelerated consideration of cases involving political crimes, plans to reform legal procedures applicable to such crimes, cooperation with the International Red Cross, ministerial directives to the security forces to insure strict compliance to legal procedures, and other similar measures. One important step toward guaranteeing respect for human rights will be the judicial reform which is envisioned in the new constitution: independent judicial authority and an independent Attorney General, with sufficient authority and sufficient means to improve the administration of justice. Furthermore, the Attorney General will have the technical capability for the scientific investigation of crime.

The reduction in the gravity of conflicts resulting from the economic and social reforms has contributed to the strengthening of the democratic process which the Government of National Unity has committed itself to maintain and consolidate: well aware that they are important conditions for social stability, created in an atmosphere of confidence, and a determining factor in the exercise of democracy.

Convinced of the importance of the private sector to economic recovery, the Government of National Unity has sought to create a favorable climate for the growth of private enterprise. The private sector has joined the public sector in forming a committee charged with economic recovery in El Salvador. These efforts at recovery face difficult obstacles caused primarily by low prices paid for our basic exports, increased prices of imports, and the problems of the Central American Common Market. To these I must add violence and the destruction of the infrastructure. Nonetheless, based on the spirit of diligence and sacrifice of the Salvadoran people, the economic cooperation of the United States of America, and a financial discipline of austerity which has permitted us to maintain tolerable rates of inflation and reasonable currency stability, my government has succeeded in reverting the declining trend of the economy.

The peace program of the Government of National Unity rests fundamentally upon the elec-

toral process and on behalf of this government I reaffirm that the solution to the problem of violence should be essentially democratic. Accordingly, elections with participation by all Salvadorans without distinction, constitute the only means to obtain a definitive and permanent peace in order to establish a pluralist system that insures democracy.

In view of the importance of the participation of all Salvadorans in the coming elections, in a spirit of good will and in order to create conditions favorable to this full participation, we have enacted a generous amnesty law. To date 500 political prisoners who were subject to the legal process, have been freed under this law.

In order to better achieve our objectives, the Peace Commission on May 31 of this year appealed to the political sector of the subversive elements for the establishing of a dialogue to determine conditions and guarantees for their participation in the next elections. This appeal has been repeated twice in recent days.

Just as the essence of democracy consists of the right of the citizens to elect their leaders and to confer political power on their representatives, negotiating away a portion of this political power would be a divestment and betrayal of the electorate. This my government would never commit.

Our program of peace is the genuine democratic alternative. In this way, peace will be the logical consequence of the democratic process which will be assured in the next electoral events. It will also result from respect for human rights, consolidation of the social reforms, and economic recovery. In summary, it will result from the combined efforts of all Salvadorans.

Foreign military intervention in domestic affairs constitutes the main obstacle to our efforts to attain peace. The interference of extracontinental Communist countries by way of Cuba and Nicaragua in support of armed groups against a legitimate constitutionally elected government, is a form of aggression which violates the essence of international law, specifically the principle of non-intervention in the internal affairs of other states.

Faced with this situation, our armed forces have the constitutional obligation to defend the nation's sovereignty and to repel, in legitimate self-defense, the armed subversion that has been imposed upon us from abroad.

This external aggression has destroyed villages, forcing hundreds of thousands of humble Salvadorans to abandon their homes. It has subjected our productive facilities, our crops, our bridges and roads, our communication and transportation

systems and the infrastructure of all public services to systematic destruction.

To alleviate this situation, integral programs have been commended to the "Commission for the Reconstruction of Specific Areas", coordinated by the armed forces and tending to bring normalcy of activities to the inhabitants of areas affected by violence, with the reestablishing of public services and the reconstruction of the infrastructures.

No one can dispute a nation's right to defend itself against external aggression and against the destruction of the scarce assets which in a developing country are produced at great sacrifice. For this reason, we have the right to the understanding and solidarity of all free nations of the world. For these reasons we have the right to the understanding and solidarity from all other free nations; as we have had from our Central American brothers, those with whom we share democratic ideals, and for whom I wish to express our gratitude.

El Salvador has not responded to aggression with aggression, nor to intervention with intervention. Last year, with a peace loving spirit we proposed a regional dialogue to strengthen democratic institutions, to end the arms race and the arms traffic, and to improve commercial and economic relations. With the same spirit we accepted the initiative of the "Grupo Contadora", whose invitations we have always responded to positively.

With the future of democracy in our country in great peril, we do know how to appreciate and be grateful for the solidarity and sympathy that President Reagan has clearly expressed for our cause, both in public and in private, and has responded with concrete and significant action.

El Salvador fights not only for the survival of its own democratic system; we also defend western democracy. For this reason I want to appeal to the honorable members of the United States of America's Congress to support the efforts of President Reagan to aid El Salvador. This assistance strengthens the cause of democracy in the Central American region. A weak, vacillating commitment endangers peace and hemispheric security. For this reason the people of the United States must fully understand that we face a common threat.

Our aspirations have been incorporated into the draft of the political constitution that the Constituent Assembly of El Salvador will debate and vote upon in the next days. Therein will be established the constitutional guarantees for the great objectives of the Government of National Unity first embodied in the "Apaneca Pact," and

will become a permanent reality.

Mr. President: El Salvador, my small country, is an example of a newborn democracy defending its blood the democratic system of the western world against a totalitarian Communist regime.

El Salvador reaffirms its unwavering commitment to the defense of peace, democracy and liberty with the understanding and solidarity of all free nations.

Thank you.

Note: President Reagan spoke at 1:19 p.m. to reporters assembled at the South Portico of the White House.

Earlier, the two Presidents met first in the Oval Office and then in the Cabinet Room, together with U.S. and Salvadoran officials. They then held a working luncheon in the State Dining Room.

Proclamation 5069—National Scleroderma Week, 1983 *June 17, 1983*

*By the President of the United States
of America*

A Proclamation

Scleroderma is a painful and debilitating connective tissue disorder that causes hardening of the skin and can also affect several internal organs of the body. Although it can begin at any age, it usually afflicts people in their productive years. Several thousand middle-aged Americans—women more than men—have scleroderma.

In the more serious systemic form, scleroderma can not only affect the skin, joints, and muscles but also strike the gastrointestinal tract, lungs, heart, or kidneys. The cause and cure of scleroderma remain unknown, and it may be difficult to treat.

Nevertheless, there is ample reason for hope because the outlook for victims of scleroderma has improved significantly in recent years. Previously, the chances of survival were slim when scleroderma attacked the kidneys. But this is no longer the case. Medical researchers have discovered in the past few years that aggressive treatment with newly-developed anti-hypertensive drugs can lower blood pressure, improve kidney function, and dramatically save lives. In addition, recent research has revealed the importance of abnormalities of fine blood vessels in the development of scleroderma.

Supported by the National Institutes of Health and by private voluntary agencies, researchers throughout the world are focus-

ing their efforts on scleroderma. Improved methods for diagnosis, treatment, and control are being explored.

To increase awareness of scleroderma, recognize progress, and emphasize the need for a continued effort to defeat this disease, the Congress has, by Senate Joint Resolution 75, designated the week of June 12 through June 18, 1983, as National Scleroderma Week, 1983.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of June 12 through June 18, 1983, as National Scleroderma Week, 1983. I urge the people of the United States and educational, philanthropic, biomedical research, and health care organizations to continue their diligent and valuable efforts to discover the cause and cure of scleroderma in order to alleviate the suffering of all persons afflicted by this disorder.

In Witness Whereof, I have hereunto set my hand this seventeenth day of June, in the year of our Lord nineteen hundred and eighty-three and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:08 a.m., June 20, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on June 18.

Message to the Senate Returning Without Approval a Bill Allowing the Transfer of Certain Tax Benefits

June 17, 1983

To the Senate of the United States:

I am returning, without my approval, S. 973, "an Act to make technical amendments to the Indian Self-Determination and Education Assistance Act and other Acts." I have no objection to these technical amendments.

However, section 5 of the bill, added by an amendment on the Senate floor, would allow a particular school to transfer to taxable investors tax benefits attributable to a building that it refurbished with Federal funds. Without this legislation, the proposed transaction would result in the school being required to repay the Federal funds used to refurbish the building.

Recently there has been a great deal of concern about the sale of tax benefits by tax-exempt entities through leasing transactions. Leasing transactions similar to the one contemplated by this legislation present tremendous potential for abuse and could result in billions of dollars of revenue loss to the Federal Government. The transaction that this legislation would condone would permit a school that has already received tax deductible contributions and Federal grant money to sell certain tax benefits to outside investors. This case is particularly

offensive in that the tax benefits being sold are attributable to property that was paid for with Federal grant money. In addition to receiving money for selling tax benefits, the school, as a tax-exempt entity, would be able to invest the proceeds of the sale and receive the income from such investment tax-free.

The propriety of leasing transactions involving the sale by tax-exempt organizations of tax benefits needs to be scrutinized very carefully. Where the tax benefits being sold are attributable to expenditures of Federal funds, the transaction becomes totally unjustifiable. We cannot condone the sale by a tax-exempt entity of tax benefits produced through the use of Federal funds.

As I have noted, the Indian-related amendments contained in this bill are not objectionable. Accordingly, I urge the Congress to reenact sections 1-4 of S. 973 without delay.

RONALD REAGAN

The White House,
June 17, 1983.

Note: The text of the message was released by the Office of the Press Secretary on June 18.

Letter to Yuriy Andropov, Chairman of the Presidium of the Supreme Soviet of the Soviet Union

June 17, 1983

Dear Mr. President:

Please accept my congratulations upon your election as Chairman of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

As you assume your new duties, I hope that together we can find ways to promote peace by reducing the levels of armaments and moving toward the elimination of force

and threats of force in settling international disputes. You will have my full cooperation in moving toward these goals on a basis of equality, reciprocity, and respect for the rights and interests of all.

Sincerely,

RONALD REAGAN

Note: As printed above, this item follows the text of the letter which was released by the Office of the Press Secretary on June 18.

Radio Address to the Nation on the Federal Reserve Board Chairman, the Seventh Space Shuttle Flight, and Science Education *June 18, 1983*

My fellow Americans:

As the saying goes, we interrupt this program for a news flash. Some years ago, a favorite movie theme was the crusading reporter. In every such picture, the reporter—hat on the back of his head, clutching the phone—would yell, “Give me the city desk. I’ve got a story that’ll crack this town wide open!” I’ve read that line a few times myself. Well, I’m not wearing a hat or clutching a phone, but before getting into today’s broadcast, I’d like to make an important announcement.

The term of the Federal Reserve Board Chairman expires August 5th. I have today asked Chairman Paul Volcker to accept reappointment for another term. He’s agreed to do so, and I couldn’t be more pleased. Paul Volcker is a man of unquestioned independence, integrity, and ability. He is as dedicated as I am to continuing the fight against inflation. And with him as Chairman of the Fed, I know we’ll win that fight. End of news flash.

Today marked the launching of the seventh space shuttle flight. This particular shuttle flight is unique in several respects. It’s the first space flight of an American woman—Dr. Sally Ride, another example of the great strides women have made in our country. Women are working as hard and contributing as much as men, and their work is finally receiving the recognition it deserves. I know I speak for all of us when I wish Dr. Ride and her fellow crew members the best of luck in their bold journey. Nancy and I look forward to being on hand to greet them when they land next Friday.

This particular shuttle flight also represents another first. Aboard that space shuttle will not only be communications satellites and NASA experiments but also a small colony of ants. This experiment is designed to look at the effect of prolonged weight-

lessness on the ant colony’s social structure. While this particular experiment is interesting, the story behind it is even more fascinating.

About 5 years ago, some folks in two high schools in Camden, New Jersey, got together and launched a project for students to send up an experiment in a space shuttle flight. Community leaders and local education officials saw this as a fresh opportunity for students to develop an interest in science and engineering. Now, this may not sound all that original. After all, there are lots of high schools with strong science preparatory programs. But the people backing this project didn’t go out hunting for an exceptional high school or exceptional scholars.

This project started in two inner-city high schools in Camden, New Jersey. Camden High School is about 85 percent black and 15 percent Hispanic. Woodrow Wilson High School is about 51 percent black and 44 percent Hispanic. Many of the students are from poor families. Before this project, interest in science was not very strong. One Camden High student said, “When it came to taking science, a lot of students didn’t want to do it. They didn’t want to try.” But that good old American volunteer spirit found a way.

RCA, Camden’s largest private employer, offered to pay the cost of launching an experiment on the shuttle if the students could come up with an idea for a project and actually design and build it. The administration and faculty at the high schools took up RCA’s offer and started space science courses and encouraged student participation.

Dozens of local companies, universities, and individuals helped out by contributing money, materials, or manpower. And most importantly, the students themselves stud-

ied computers and designed computer programs to help run the experiment. They built the canister in which the experiment would take place. They raised funds for the project by selling tee-shirts.

Not only were they interested in the project itself, they developed a broader interest in science and engineering in general. Elective science classes now have many more students than they had before the project. One of the schools installed a planetarium because of the interest in space.

Billy Joyce, a 17-year-old student, said, "Before this experiment with the ants, I wasn't really into this science class. But when it got started, I got interested. Just the idea of getting these ants aboard the shuttle and into space made this class something to look forward to. And it got me interested in doing things I've never done before."

This whole project illustrates some very important lessons in the area of education. It shows the part local community involvement plays in stimulating intellectual curi-

osity and educational excellence. Local businesses, school teachers, and administrators and, most importantly, the students themselves developed ideas and turned those ideas into real educational opportunities.

These students didn't become fascinated with science because of some Federal bureaucracy in Washington, though NASA played a positive role, but mainly because of interest developed at the grassroots level. Regardless of whether or not this experiment in the space shuttle flight succeeds, these high school students in Camden, New Jersey, have gained a new-found interest in learning and in the wonders of science that will serve them well all their lives.

There's a lesson here for all of us who believe that individual effort and initiative count and that we can make America's education system what it should be—the best in the world.

Till next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Appointment of George F. Will as a Member of the Board of Visitors of the United States Naval Academy

June 20, 1983

The President today announced his intention to designate George F. Will to be a member of the Board of Visitors to the United States Naval Academy for a term expiring December 30, 1985. He would succeed Salvatore R. Gerbasi.

Since 1976 Mr. Will has been a contributing editor of Newsweek magazine. He is also a regular member of the "Agronsky and Company" television panel and appears each Sunday on ABC's "This Week With David Brinkley." In 1977 he won the Pulit-

zer Prize for commentary. From 1973 to 1975, Mr. Will was the Washington editor of The National Review magazine, and in 1974 he began a syndicated newspaper column which today appears in over 300 newspapers.

Mr. Will graduated from Trinity College (B.A., 1962), Oxford University (B.A., M.A., 1964), and Princeton University (Ph. D., 1968). He is married, has three children, and resides in Chevy Chase, Md. He was born May 4, 1941, in Champaign, Ill.

Remarks at a Mississippi Republican Party Fundraising Dinner in Jackson

June 20, 1983

Reverend clergy, Senator Cochran, Webb Franklin, our honored guest tonight, Trent Lott, Ebbie Spivey,¹ and all of you:

I thank you for a very warm and a very wonderful welcome.

It's true what Trent said, I've been here a number of times. I have a number of wonderful warm memories. As a matter of fact, I was just telling Trent earlier today, I remember being here as Governor of California, sitting in a box at Ole Miss with your then Governor Williams. Ole Miss hadn't had a good season. They were playing Auburn, and Auburn was heavily favored to win. But Ole Miss was rising to the heights, turning the tide, and someplace late in the third quarter was substantially ahead. And there was one of those moments of silence in the stadium that can happen now and then, even with all the excitement. And in the midst of that silence, about 20 rows behind us, the box that I was in, I heard a voice say, "Man, what would they have done if John Wayne was here?" [Laughter]

But isn't it wonderful to see so many Republicans in Mississippi? [Applause] Times have changed and for the better. Former Congressman Prentiss Walker, who I understand is here today, tells a story about his first campaign. He dropped in on a farm and introduced himself as a Republican candidate. And as he tells it, the farmer's eyes lit up, and then he said, "Wait till I get my wife. We've never seen a Republican before." [Laughter]

And a few minutes later he was back with his wife, and they asked Prentiss if he wouldn't give them a speech. Well, he looked around for kind of a podium, something to stand on, and then the only thing available was a pile of that stuff that the late Mrs. Truman said it had taken her 35 years to get Harry to call "fertilizer." [Laughter] So, he stepped up on that and made his speech. And apparently he won

them over. And they told him it was the first time they'd ever heard a Republican. And he says, "That's okay. That's the first time I've ever given a speech from a Democratic platform." [Laughter]

You know, a moment ago, when I was recognizing the people up here, all these distinguished ladies and gentlemen, I missed one, maybe kind of on purpose, set him apart by himself, because Leon Bramlett—doesn't it sound nice: "Governor Bramlett"? That has a nice ring to it, doesn't it? [Applause] You know, your candidate for Governor was himself an active Democrat like me, until he saw the light. And like those people that it's the first time they'd ever seen one, a Republican.

Seriously, though, we have to understand the importance of reaching out to Democrats with whom we have fundamental agreement. Democrats, we have little in common with the national and State Democratic platforms. And I'm quite sure there are many here who were and some who still are Democrats but who have found it more and more difficult to follow their party's leadership.

One of our top priorities since getting to Washington has been turning power back to the levels of the government closer to the people. For this to succeed, we need good people, like Leon Bramlett, in positions of authority at the State level. I hope that from now until election day you will put out a maximum effort to make him Mississippi's first Republican Governor in more than a hundred years.

You know, when I remarked about Democrats being present, Leon and myself having been Democrats, seriously, I think it is time to point out that there are many fine, patriotic Democrats in this country who are beginning to recognize that the present leadership of their party and the leadership in recent years has strayed far from the principles that once characterized the Democratic Party in the days of Jefferson and Jackson. They would no longer be

¹Mississippi Republican Party State chairman.

at home, I think, with the present leadership of that party and what it advocates.

Today, we're honoring all your Republican officeholders, but especially Congressman Trent Lott. Now, I know you're proud of him, and I only wish we had another 434 just like him in the House of Representatives.

Trent began his political career as an administrative aide to Democratic Congressman William Colmer, a fine man who ably represented his State for many years. When Congressman Colmer retired and Trent ran as a Republican to fill his seat, the old man didn't know who to endorse. He loved Trent like a son, but at heart, he was still a Democrat. Well, he figured that out, because near the end of the campaign this veteran Congressman held a press conference. And he mentioned that, although he wasn't endorsing anyone, he wanted everybody to know that he was voting for Trent Lott. *[Laughter]* I'll take that kind of an endorsement anytime.

Trent, I've got it on good authority that the turning point came when you went to visit the old gentleman and brought him a half dozen shot and cleaned squirrels ready for cooking. *[Laughter]* I think what we've got to do is to get a large batch of Mississippi squirrels for Trent to bring back so that everybody in the Congress can have a big helping.

Incidentally, on that dinner at Williamsburg for the press, they weren't the only ones that dined on catfish and hush puppies. So did the seven heads of state that were gathered around a table that night. And it was a marvel to see some of those with the gourmet backing of France and the cuisine of Europe tasting catfish for the first time in their lives and wondering why they had missed such a delicacy all their lives.

Trent represents all that's best in the new generation of Republican leaders. He combines a deep, personal commitment to the ideals of free enterprise and individual liberty with a practical expertise in getting things done. He's put together one of the best staffs on Capitol Hill and is admired on both sides of the aisle for his efficient handling of constituent problems. Yes, as you've been told, he's number two in the

House minority leadership, and I pray that someday soon, we will be saying, the House majority leadership.

Trent was first elected in 1972 and for a decade has been fighting—along with other stalwart Republicans—against the taxing and spending irresponsibility that shoved our country into the economic turmoil and decline from which we're now just emerging. I'd like to take this opportunity to thank Trent, to thank Webb Franklin, to thank Thad Cochran for the courage they've shown in tackling what seemed like overwhelming problems just 2½ years ago.

In 1980 we promised to make America strong again. It's taken everything we could muster, but we've ridden out the storm. We've beaten back attempts to get our program before it had a chance. And I'm proud to tell you today that, even as our critics now have to admit, it's working.

We've brought inflation, as you were told by Trent—formerly public enemy number one—down from—it was 12.4 at exactly that point to less than 1 percent for the last 6 months. And as Trent told you, we were handed prime interest rates of 21½ percent. We ignored the calls for a quick fix. We worked the prime down slowly but surely to 10½ percent. And that's good news for thousands of Mississippians involved in the construction and timber industries.

Two-and-a-half years ago, Federal spending seemed out of control. It was rising at 17 percent in 1980 alone. We've cut that growth rate by 40 percent, but we must and will do better than that with your help.

To finance all that spending, Federal income taxes doubled between 1976 and 1981. And I heard a gentleman on the air yesterday on one of the panel shows, and he was talking about the terrible deficits that we now confront. Well, those deficits were very large and were the greatest that we'd had until that time. In those 5 years in which taxes were doubled, the deficits went up. By 1980 many working people were being taxed at rates reserved for the well-to-do only a few years ago. Together we've managed to reduce the tax rates 25 percent across the board and to index the tax rates thereafter, so inflation can no longer push

people into higher and higher brackets.

Much of the economic turmoil we've gone through can be traced directly to overspending and overtaxing. Those who think they can pull the wool over the eyes of the voters and return to the tax-and-spend and spend-and-inflate policies of the past are badly mistaken. For my part, if confronted with budget-busting spending bills or any attempt to take away the people's tax cuts or indexing, I will not hesitate to veto—indeed, I look forward to it.

The big spenders, anxious to get their hands back in the public's pockets, are now trying to use greed and envy to undercut the economy-building aspects of our tax program. They're calling for a tax cap on benefits that would undermine new investment, job creation, and economic growth.

I hope the American people remember that many of those advocating this tax cap opposed any reduction in tax rates for anybody. They don't think we're taxed enough. And what they're suggesting now isn't a cap on tax cut benefits; it's a cap on the recovery—a permanent tax increase—and we can't let that happen.

You know, for many years we, all of us, used the term that I think was created by some of the liberal bent—\$50,000 annual income. That was the dividing line between the working people and the middle class and the wealthy—\$50,000 a year. Well, it's time we looked at that again and made some adjustments for inflation, because those who are advocating the cap have again used that as the dividing line—\$50,000. I wonder, does Speaker O'Neill know that the person who was earning \$50,000 a year 10 years ago in 1973 to just stay even would today have to be getting \$113,843 to be equal to a \$50,000 income of 10 years ago?

And let's set the record straight about indexing. Indexing prevents lower and middle-income earners from being pushed into higher tax brackets. It doesn't have any impact on the tax rates of our wealthiest citizens. They're already in those top brackets. Those who advocate eliminating indexing are trying to perpetrate a cynical hoax on lower and middle-income earners in America. In fact, 78 percent of the benefits of indexing will go to lower and middle-

income earners.

In the last few months, we've seen the initial phases of a strong and steady economic recovery. Retail sales and productivity are up. Real wages are up. This morning at 10 o'clock in the East, they announced that personal earnings were up 1.2 percent for the month of May; personal spending for consumer items was up 1.4 percent. Those are the two highest, most solid gains for any month since the recovery began. Housing starts are up; automobile sales are up; and new business incorporations are at near-record levels. And unemployment—always a lagging indicator—has finally begun inching down.

Those who talk about raising taxes are gambling with the future of the recovery. And that's a game that none of us here on this platform intend to play.

A weak economy wasn't the only cause for concern in the 1980 election. During the last decade, our military strength was permitted to erode dangerously. At a time when the Soviets were dramatically increasing their military effort, real spending for our defense needs was reduced by almost 20 percent. By 1980 our fleet, which had numbered nearly a thousand ships in the late 1960's, had dwindled to less than 500. Our military personnel were relying on weapons designed a generation before, and many of our airmen were flying in bombers that were older than the pilots.

We promised to turn this threatening situation around. Again, with the help of your Republican representatives, we've set a place in program to rebuild our defensive capabilities. We're doing our best to keep costs down. But no matter how diligent we are, there's no escaping the fact that providing this country with an adequate defense is an expensive undertaking, especially when you're forced to make up for the irresponsibility of so many past years. But, I say to our critics, we will not send our brave young men and women in the military out to defend us with second-rate weapons and bargain-basement equipment. If they can put their lives on the line for us, we can afford to give them what they need to do the job right. And with those young men and women and the training that they

are getting and the morale and esprit de corps they have and with the proper kind of weapons, they won't have to use those weapons, because no one will dare tread on us.

The security of our country, of course, depends on more than weapons. We must have the will to meet the challenges of an adversary who is constantly testing our resolve to defend our vital national interests. And this is exactly what is happening in Central America.

I appreciate the sincere motives of many who point to the faults of our friends and ask for reforms. I agree with those who insist on economic as well as military assistance. Nevertheless, there is no excuse for not providing those under attack the weapons they need to defend themselves. We must not listen to those who would disarm our friends and allow Central America to be turned into a string of anti-American Marxist dictatorships. The result could be a tidal wave of refugees. And this time, they'll be "feet people" and not "boat people" swarming into our country, seeking a safe haven from Communist repression to our south. We cannot permit the Soviet-Cuban-Nicaraguan axis to take over Central America.

What we have in this country is the most precious gift God has given to mankind. Our country, more than any other, has been blessed with liberty and abundance. A few years ago some people were counting America out, claiming that our best days were behind us, that our country was in decline. Well, not anymore. That pessimism is something else we've turned around.

I'm as confident as ever that the character of the American people is still strong, the soul of this nation is still something of which we can be proud. And that was never more apparent than recently when the floods swept through your State. From all reports, your citizens, young and old, white and black, proved that the American spirit is alive and well.

Take the case of Tommy Wallace, from Marion County, who heard the screams of people who'd been washed out of their cars by the raging waters. Wallace launched his small boat into the torrent and, braving the washing waters and the floating debris and

logs, saved the lives of seven people. Later, when he was asked about it, he replied, "Well, you just don't think about being scared. You just feel like you've got to do what you've got to do."

Well, during the floods, there were numerous accounts of neighbor helping neighbor, of heroism and kindness crossing all racial and economic lines. The people of Mississippi showed the country that when the chips are down, we are all Americans.

Today, we have a heavy responsibility; the future peace and freedom of our children and of all mankind rests on our shoulders. But we have no reason to fear. Instead, like Tommy Wallace and all good Americans, we'll do what we have to do.

I just have to inject something here, because we had a Cabinet meeting this morning. It was on a subject that you haven't heard talked about at all, but it's something—a program that we've had underway for about 2 years. And this is a program that has to do with something we had promised, and that was that we were going to make government smaller; we were going to make it more efficient. And we've had a task force working for 2 years now on the actual operations of government—not the programs that you hear about in the budget discussions, but how to manage things more efficiently in government.

We had said that our goal would be that in 3 years we would reduce the size of the Federal Government by 75,000 employees—the nondefense side, domestic side. Well, it isn't 3 years yet, but we're ahead of schedule, because we've already reduced it by 65,000.

Then there were publications—[*ap- plause*]*—I can't go into all the details, but I'll be talking about it much more in the days to come as we're putting together these recommendations now.*

But we—for example, publications, we are now—we have canceled 73 million copies of Federal publications. We have eliminated 2,200 various publications, bulletins, and reports and so forth, such as "How to Buy a Christmas Tree." [*Laughter*] And then there was a regular one they put out—and I just happened to take that one off the Cabinet table today and bring it along, be-

cause I thought it was pretty indicative of the kind of thing that government's been doing. It's "How to Have a Sparkling Clean Sink"—kitchen sink. [Laughter]

Now, the very top of it illustrates why they had to keep this bulletin out for you people. It said, "A clean sink helps keep you and your family healthy. A dirty sink often smells bad. It will attract bugs. For a clean kitchen you need a clean sink." [Laughter] And the last point is, "A clean sink looks nice." [Laughter] Now, you ladies know you'd have never thought of that by yourselves if the government hadn't pointed it out to you. [Laughter]

Well, there's going to be a surprise pretty soon, coming another budget time when they find out how much we are able to cut, how many billions of dollars simply in the improvement of management to bring the Federal Government up somewhere close

to what has been just common business practice for all of you that are out there in business today—that you've taken for granted, but government's still been doing it. The only thing we've changed is from horses to automobiles. And we're changing the rest of the government to come up to date at the same time.

I know that we can count on you in the days ahead. And I thank you for having me with you here for this very special occasion.

God bless you all, and thank you.

Note: The President spoke at 5:28 p.m. in the Mississippi Coliseum arena.

Earlier, after his arrival in Jackson, the President attended a Mississippi Republican Party fundraising reception in Dennery's Restaurant, which is adjacent to the coliseum.

Following his appearance at the dinner, the President returned to Washington, D.C.

Proclamation 5070—National Children's Liver Disease Awareness Week, 1983

June 20, 1983

*By the President of the United States
of America*

A Proclamation

Liver disorders affect thousands of American children from infancy to adolescence. More than 100 different types of liver diseases, which attack these young people, have been identified. These diseases can be inherited or acquired from infection, poisons, injury, or such diseases as cystic fibrosis, anemia, leukemia, kidney or intestinal disease and glandular disorders. Infants can be born with a damaged liver or with biliary atresia, a disease characterized by abnormally-formed bile ducts. Some disorders can result in cirrhosis of the liver. Other causes of fatal or chronic liver disease include hepatitis, Reye's syndrome, Wilson's disease, galactosemia, and glycogen storage disease.

Research on liver diseases is continuing in order to increase our understanding of the underlying causes of these disorders, find

preventive measures, develop better means of early detection, and improve our current methods of treatment.

The Congress of the United States, by House Joint Resolution 234, has designated the week beginning June 19, 1983 as "National Children's Liver Disease Awareness Week" and has authorized and requested the President to issue a proclamation in observance of that week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning June 19, 1983 as National Children's Liver Disease Awareness Week. I urge the people of the United States, and educational, philanthropic, scientific, medical and health care organizations and professionals to support appropriate efforts to discover the causes and cures of all types of liver disorders in children and to alleviate the suffering of victims of these disorders.

In Witness Whereof, I have hereunto set

my hand this twentieth day of June, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 10:25 a.m., June 21, 1983]

Note: The text of the proclamation was released by the Office of the Press Secretary on June 21.

Nomination of William Patrick Collins To Be Under Secretary of Energy

June 21, 1983

The President today announced his intention to nominate William Patrick Collins to be Under Secretary of Energy. He would succeed Guy W. Fiske.

Mr. Collins is currently vice president of political affairs at the National Association of Home Builders. Previously he served as: assistant to the senior adviser, office of executive branch management, Reagan Presidential transition (November 1980–January 1981); director of political affairs, National Association of Home Builders (1979–1980);

administrative assistant to Congressman Ron Marlenee (1976–1979); legislative assistant to Congressman Alan Steelman (1973–1976); and national field director, Raymond V. Humphreys Associates, political consultants (1971–1972).

Mr. Collins attended Carroll College (1964–1967) and graduated from the University of Montana (B.A., 1968). He resides in Alexandria, Va., and was born March 16, 1946, in Washington, D.C.

Remarks of President Reagan and President Felipe González Márquez of Spain Following Their Meetings

June 21, 1983

President Reagan. I would like to take this opportunity to underscore our great pleasure at receiving President González and express once again our friendship and admiration and support for the Government and the people of Spain.

The President and I had an exceptionally productive and cordial meeting today. We reviewed international and bilateral matters in an open, understanding, and democratic spirit that one would expect between friends and allies. We affirmed the need for strong leadership to deal with the political and economic and social problems which underlie so much of the unrest in the world today.

We agreed on the importance of maintaining Western strength and solidarity in

these critical times and expressed our desire to work closely together as we face the challenges ahead. We agreed on the desirability of early, positive, and balanced conclusion to the CSCE Review Conference presently underway in Madrid. I expressed our appreciation for President González' recent initiative in this regard, which we'll be discussing with our friends and allies.

There are numerous areas of closer cooperation, including the pursuit of our common energy security interests. We value Spain as an important partner. We welcome the President's high sense of responsibility in guiding his country at this critical moment in its history. We applaud Spain's aspirations to join Europe fully and to make its voice heard in Europe's leading

institutions.

We believe the West's most fundamental resource is the strength of democratic institutions. The consolidation of democracy in Spain is a ringing affirmation of the vitality of Western institutions and the appeal of Western values.

President González. Good afternoon. First of all I want to thank President Reagan for this occasion to hold an open conversation with the U.S.A., which we consider a friendly country, a good friend of Spain.

As you know, Spain is a very old European country who, among other things, discovered this land that nowadays occupies this great country of yours. But it's also a young country, not only because the country people are young but because we just recovered the dignity of being a democratic country.

A simple definition of Spain would characterize what her foreign policy should be. Spain is a European and a Western country—the most Western of the European countries—nothing then more logical than its wish to, and its desire, to participate and integrate in the European and the Western world and cooperate with the Western world in a common destiny.

But we are also a southern country in Europe. We are very close to Africa, and our coast is in the Mediterranean Basin. This defines another important aspect of our foreign policy: the north of Africa and the important waters of the Mediterranean Basin.

The fact that I cannot communicate with you in English means that there is another dimension in our policy and identity: the fact that we can communicate in our lan-

guage, in Spanish, with practically 300 million people in the American Continent. This gives a third dimension in the foreign policy of Spain, without meaning that any one of them means a priority against the others.

Let me tell you that I am 41 years old, and during 33 of these years, I was dreaming of a free and democratic Spain. This is, of course, what we want and we hope for our people. But this is also what we want and we hope for other peoples wherever we can project this foreign policy. We, therefore, wish and want for other countries who can communicate with us in cultural level: peace, freedom, pluralism, and progress.

Because it's America and because it's such an important country in the world, you'll understand perfectly well that we want also to make our links with the United States even closer, which explains two things: first of all, my presence here accepting a gracious and very kind invitation of President Reagan, and my satisfaction because of the course of these conversations we have just had.

Thank you, Mr. President. Thank you very much.

Note: President Reagan spoke at 1:36 p.m. to reporters assembled on the South Grounds of the White House. President González spoke in Spanish, and his remarks were translated by an interpreter.

Earlier, the two Presidents met in the Oval Office and then held a working luncheon, together with U.S. and Spanish officials, in the State Dining Room.

Appointment of Two United States Members of the International Pacific Salmon Fisheries Commission

June 21, 1983

The President today announced his intention to appoint the following individuals to be members, on the part of the United States of America, of the International Pacific Salmon Fisheries Commission:

Herbert A. Larkins is currently Regional Director of the National Marine Fisheries Service. Previously he served as Division Director (1979–1980) and Deputy Division Director (1975–1978) of the Northwest and Alaska Fisheries Center; and as Coordinator of International

Fishery Research at the National Marine Fisheries Service (1973–1975). Mr. Larkins graduated from Michigan State University (B.S., 1956). He is married, has two children, and resides in Edmonds, Wash. He was born October 11, 1934. He would succeed William G. Saletic.

Rolland Schmitten is currently deputy chief of staff of legislative affairs in the office of the Governor of Washington. Previously he was di-

rector, State Department of Fisheries (1981–1983); State Representative, Washington House of Representatives (1976–1981); and owner-manager, Schmitten Lumber Co. (1977–1982). Mr. Schmitten graduated from Washington State University (B.S., 1966). He is married, has three children, and resides in Olympia, Wash. He was born August 26, 1944. He would succeed Gordon Sandison.

Statement on Signing a Bill Designating Alaska Statehood Day *June 22, 1983*

I'm delighted today to take the first step toward what will be for all Americans a proud and joyous moment: the celebration of the 25th anniversary of Alaska's statehood. Alaska was admitted to the Union on January 3, 1959; then, as now, Alaska was a treasure house of natural resources and a State of undisturbed vistas and incomparable beauty.

In many ways, the story of Alaska and her people is America's story, the struggle of courageous men and women with a wild and bounteous frontier. Today the State of Alaska reminds us of this rich heritage and our own continuing efforts toward developing a nation while seeking to preserve its irreplaceable beauty and resources.

The resolution which I am signing speaks of Alaska's material wealth. It notes that Alaska provides one-eighth of the Nation's gold, one-fifth of its oil production, and two-fifths of its harvested fish. Alaska possesses 10 of the 16 vital materials needed for the Nation's security, and all of this has resulted in the National Treasury collecting \$3 for

every \$1 of Federal money that is spent in this rich and vital State.

As the resolution notes, the United States has reaped economic rewards from Alaska many times greater than its original \$7 million investment. But Alaska's contribution to our nation goes far beyond this. All Americans benefit from the commitment and courage, the vitality and frontier spirit of the people of Alaska. Alaskans and Alaska remain an inspiration to all Americans and a reminder of the richness, diversity, and beauty of America's heritage.

Today, with the sponsors of this resolution, Senators Stevens and Murkowski and Congressman Young, I call on all Americans and all levels of government to join with me in celebrating Alaska Statehood Day with appropriate ceremonies and recognition.

Note: The President signed the bill in a ceremony in the Oval Office at the White House.

As enacted, S.J. Res. 42 is Public Law 98-42, approved June 22.

Remarks at the National Conference of the National Federation of Independent Business *June 22, 1983*

Well, thank you very much. And thank you very much, Wilson Johnson. Your warm words of welcome touched my heart. And

believe me, it's with a happy heart that I join you today for this important milestone—the 40th anniversary of the great

National Federation of Independent Business.

You know, I remember the day you started, and a lot of you can't say that. [*Laughter*] And, like good wine, you just get better and better. [*Laughter*]

Something else is getting better that gladdens my heart and, I hope, yours, too—America, the world's brightest jewel of hope and adventure. Our country is the keeper of the dreams that nourish the soul and spark fire in our breast. This good and mighty nation is rising from a decade of neglect to reclaim her noble heritage. America is getting well. She's growing strong. And, together, we'll keep her free.

I confess that looking at you and looking at your faces, I get a lump in my throat, because it's you and so many like you who were messengers of courage during our baptism of fire. You were never sunshine patriots. You didn't cut and run. I heard from a great many of you. And your letters said in various ways, "Hang-in there, Mr. President. We're sticking with you. A lot of us are hurting, but we're tired of seeing America dragged down. We're tired of empty promises and quick fixes that only make things worse." You gave me priceless words of courage that I'll always remember: "Do what you know is right. And do it with all your might."

And there's one man here who epitomizes that unselfish courage, that leadership, and commitment. He went to the Congress in 1981 and said spending was out of control. We know a lot of people say that. But he said more. He said that his organization had no sacred cows and that no program should be spared. And to drive home his point, he added, "Small business volunteers to go first." How much smaller would the deficit be if we had more of that attitude, asking not what our country can do for us, but what we can do for our country?

And I'm sure by now you know who I'm speaking about—your president and my friend, Wilson Johnson. We've been in communication many times over the past 2½ years. We could never have accomplished what we have without his and your support. As long as I'm President, the door to the Oval Office will always be open to Wilson

Johnson and the NFIB.

Small business is the gateway to opportunity for those who want a piece of the American dream. One of the most exciting trends in our country is the surge in numbers and size of businesses owned by women. You fellows better watch out; you're facing some real competition. [*Laughter*] Almost 3 million businesses owned by women bring in about \$40 billion a year—a solid contribution to the health of our economy at every level of society.

At the recommendation of the Small Business Administration, we have reactivated the Interagency Committee on Women's Business Enterprise that was created in 1979. We appointed Bay Buchanan, our United States Treasurer, to be its Chairman. The committee will ensure that the activities of the departments and agencies of the executive branch contribute to the establishment and promotion of women's business enterprise.

Also, I will sign today an Executive order that will create the first President's Advisory Committee on Women's Business Ownership; and we will appoint up to 15 members with particular knowledge and expertise of women's participation in business. They will review the status of businesses owned by women, foster further support for women entrepreneurs, and provide appropriate advice to me and the Administrator of the Small Business Administration.

I'm also directing the Small Business Administration to sponsor a series of conferences across the country that will reach thousands of present and potential women business owners. We want to assist them to compete equitably in the total business environment. We'll be asking both the public and private sector to pitch in and help, and I know that NFIB, as you have so often before, will be there on the frontlines to help us.

The character and conscience of small business built this nation. You know, in his book, "Wealth and Poverty," George Gilder wrote something about entrepreneurs that I've long believed. He said that, "Most contribute far more to society than they ever recover, and most of them win no riches at all. They are the heroes of economic life,

and those who begrudge them their rewards demonstrate a failure to understand their role and their promise."

Well, wouldn't it be nice to hear a little more about the forgotten heroes of America—those who create most of our new jobs, like the owners of stores down the street; the faithfuls who support our churches, synagogues, schools, and communities; the brave men and women everywhere who produce our goods, feed a hungry world, and keep our families warm while they invest in the future to build a better America? That's where miracles are made, not in Washington, D.C.

We hear so much about the greed of business. Well, frankly, I'd like to hear a little more about the courage, generosity, and creativity of business. I'd like to hear it pointed out that entrepreneurs don't have guaranteed annual incomes. Before they can turn a profit, they must anticipate and deliver what consumers want. They must risk their money with investments.

The truth is, before entrepreneurs can take, they must give. And business begins with giving. And I believe business works best, creates the greatest wealth, and produces the most progress for all when we're free to follow the teachings of Scripture: Give and you will be given unto . . . search and you will find . . . cast your bread upon the waters and it will return to you manifold.

Just think about it. In the Parable of Talents, the man with the small-business spirit who invested and multiplies his talents, his money, was praised. But the rich who hoard their wealth are constantly rebuked in Scripture. I believe we're meant to use wisely what is ours, make it grow, then help others to share and benefit from our success. And the secret of success is understanding that true wealth is not measured in material things, but in the treasures of the mind and spirit.

Oil was worthless until entrepreneurs with ideas and the freedom and faith to take risks managed to locate it, extract it, and put it to work for humanity. Someday, oil itself will be replaced if those driven by great dreams are still free to discover and develop new forms of energy.

In his book, "The Secret Kingdom," Pat

Robertson tells the story of when George Washington Carver asked God to explain the mysteries of His universe. But according to Pat's book, God said, "Little man, you're not big enough to know the secrets of My universe. I'll show you the secret of the peanut."

So, Carver began peeling apart the peanut. And from this storehouse of wonders came a stream of food and products that helped revolutionize Southern industry, and all because he invested the gifts of knowledge that God had given him in a spirit of giving to his fellow men.

The principles of wealth creation transcend time, people, and place. Governments which deliberately subvert them by denouncing God, smothering faith, destroying freedom, and confiscating wealth have impoverished their people. Communism works only in heaven, where they don't need it, and in hell, where they've already got it. [Laughter]

When we came to Washington, I said, "Let us renew our faith and our hope. We have every right to dream heroic dreams, to believe in ourselves, to believe that together, with God's help, we can and will resolve the problems which now confront us."

We didn't propose a 20-point Federal plan. We pursued the one sure plan to get America moving again—a renaissance in enterprise. Everything we've tried to do is guided by three simple words: Trust the people. We wanted to use that special principle of giving by putting America's destiny back in your hands. And this meant slowing the growth of an already bloated government and providing you incentives to save, to invest, and to take risks, so more wealth will be created at every level of our society.

Take a look at what we've done so far just by sticking together: Personal tax rates have been cut for every working American for the first time in almost two decades. In 1985, tax rates will be indexed to protect you from being pushed by inflation into higher brackets. Depreciation schedules have been shortened. Estate taxes on family owned farms and businesses have been cut dramatically to help working wives and mothers. We've reduced the marriage pen-

alty and increased the child care credit. To give small savers a higher rate of return, we've deregulated financial institutions. We've introduced strong, new incentives for Individual Retirement Accounts, extended IRA's to participants in employer-sponsored pension programs, and doubled the maximum Keogh contributions. Further tax breaks for savers will be coming up in 1985, when 15 percent of interest income—up to \$450 for single taxpayers and \$900 for married couples—can be excluded from all taxation.

I hope I'll be forgiven for reminding our critics that these tax cuts didn't exist when they were in charge. These critics say the tax cuts are too big. The truth is, they're barely big enough to keep people even. Still, I believe it's fair to say this is the most sweeping program of incentives ever passed to help families and firms lift America up and give us all real hope for our future.

We're doing everything we can to help you rebuild America. Spending growth has been cut. We passed the Prompt Payment Act so that when you deal with the Federal Government, you must get paid promptly. The Small Business Innovation Development Act will direct millions of dollars in research funds to high-tech firms. The Paperwork Reduction Act and the Regulatory Flexibility Act will help your firms.

You don't have the luxury of hiring extra people just to fill out forms and keep track of new regulations. More work needs to be done, but by the end of 1983, American industry will have saved 300 million working hours filling out forms. And that's a pretty good start.

Take a look at the facts: We don't have double-digit inflation anymore. It's down to 3½ percent since a year ago, from May to May. I hope that history will one day judge our progress against inflation as one of the Nation's greatest accomplishments of the early 1980's. And we haven't stopped yet. That terrible 21½ percent prime rate that greeted us has been knocked down to 10½ percent. Real wages are improving for the first time since 1978. And the rates of personal saving and productivity have reversed their declines.

It's clear that recovery is strengthening and spreading throughout the economy.

Venture capital investments have reached record levels. New businesses are being formed at near-record rates. The stock market has awakened from a decade of disappointment to surge into new high grounds. Sunrise industries are springing up like jack rabbits. Production in auto and steel is regaining strength. Housing starts in May climbed to the highest level in 3½ years. Factories in May ran at their highest rate in 15 months. More and more workers are being called back. And, as Al Jolson would have said, "You ain't seen nothin' yet." [Laughter]

But there's an easier way to tell you that the program works, that recovery is here, and that our economy is beginning to sparkle. I've said this a few times before, but I'll say it again. Suddenly, our critics are no longer calling the program Reaganomics. [Laughter]

But just as everything is starting to mesh, just as Americans have spotted the dawn of a new age—strong growth without a return to runaway inflation and interest rates—the guardians of a graveyard philosophy want to resurrect ideas which should remain dead and buried for all time. They have a kind of layaway plan for your lives which never changes. It's called, "Americans make, government takes." [Laughter]

First they tried to raise taxes on typical, hard-working families by \$3,550 over the next 5 years. We said no, and we stopped them. Now they claim we must cap the third year of the tax cut at \$700 to reduce projected deficits and ensure fairness. Well, forgive me, but truth pierces that story quicker than a hot knife through butter.

They want to tax more so they can spend more, and you and I must say no and stop them again. Last year, they gave me their word there would be \$3 in outlay cuts for every additional dollar of revenue that I agreed to in that tax bill. They are breaking that promise. They voted to balloon domestic spending above our budget request for next year. And this is after they bottled up, then scuttled, a constitutional amendment requiring them to approve a balanced budget—an idea backed by some 80 percent of you, the American people.

Our critics sob enough about deficits to

fill an ocean—an ocean of crocodile tears. Well, the same holds true for their argument about fairness. Capping the third year of the tax cut won't soak the rich, but it will drown millions of taxpayers in the middle class. The wealthiest earners with incomes above \$110,000 got their full tax cut in 1981. And it was a Democratic amendment to our tax program that lowered the top rate from 70 to 50 percent in one fell swoop. Funny how they all forgot about that. Well, I haven't forgotten about it, because I think it was a great thing to do. The truth of the matter is we're getting more tax revenues at the lower rate from that bracket of people than we were getting when the rate was 70 percent. And that's the secret about good taxes.

But it takes a greater leap of faith to trust the motivation and wisdom of the self-proclaimed champions of fairness who are now attacking the middle class. And make no mistake, capping the third year would raise taxes on millions of two-earner couples earning less than \$50,000.

For example, a working, married couple, who together earn just over \$35,000 in taxable income, will go from a 33-percent tax rate to a 37-percent tax rate under the tax cap plan. I question whether that couple, working to make ends meet, would consider itself rich. Let's remember that just to keep up with inflation, that couple had to double its income in the last 10 years. The couple which earns \$35,000 is no more wealthy today than when it earned \$16,000 in 1973.

Capping the tax cut would also raise taxes on 2.4 million small businesses, including 350,000 family farms, which file personal, not corporate, tax returns. These people will invest in the new jobs, products, and technologies for the 21st century—a century that will belong to our children and our children's children. Putting a cap on small business would put a cap on our recovery and future growth. The tax cap is not a fairness bill; it's a jobs-destruction bill. It would cut off our nose to spite our face.

Larry Kirby, of Greensboro, North Carolina, wrote me that he and his wife are risking everything they have in a new venture because of the opportunities in our American free enterprise system. He said, "We

pay taxes on personal rates and will be hiring another employee this summer. We need every incentive that you can allow us and the loosening of redtape." Well, Larry, I hear you. And believe me, your dreams and your struggle are what this job of mine is all about.

You know, I try to bite my tongue, but I just have to ask: Would you agree that those who saddled this nation with double-digit inflation, the highest interest rates in more than 100 years, and the worst tax burden in our peacetime history are the last people who should be giving sermons about fairness and compassion?

Would you agree that if we're to rebuild our beloved land, then those who practice the politics of envy, who pit one group against another, must rise above their rancor and join us in a new dialog—to encourage, honor, and reward every citizen who strives to excel and make America great again?

I have one other request. As representatives of Main Street America, would you please send Washington a message: "Get your hands out of our pockets, get control of your own budget, and let *us* get on with the job of rebuilding America."

I promise you the full and final portion of the tax cut—the 10 percent due July 1st—will go into effect in 9 days, and it will be followed by indexing in 1985.

But I must and will oppose the congressional budget resolution. It's not good enough to reduce the deficit on paper when, in reality, you're running up the white flag on controlling domestic spending. The last thing we need is more taxes for more spending. And if they can't get that through their heads, then I am prepared to veto their budget-busting bills again and again and again.

Tax rates are prices—prices for working, saving, and investing. And when you raise the price of those productive activities, you get less of them and more activity in the underground economy—tax shelters and leisure pursuits. You in small business understand that you can't force people to buy merchandise that isn't selling by raising your price. But too many in Washington and across the country still believe that we

can raise more revenues from the economy by making it more expensive to work, save, and invest in the economy.

We can't repeal human nature. President John Kennedy said in 1963: "The most urgent task facing our nation at home today is to end the tragic waste of unemployment and unused resources. . . . It has become increasingly clear," he said, "that the largest employment"—or—"single barrier"—I should say "to full employment . . . and a higher rate of economic growth is the unrealistically heavy drag of Federal income taxes on private purchasing power, initiative, and incentive." I would only add that the total tax burden on working Americans is higher today than it was when John Kennedy said that.

We cannot compromise on fundamental principles without compromising ourselves and our future. We're not asking the Congress to do what's easy; we're asking them—Democrats and Republicans alike—to work with us to do what's right. On that note, let me interject a word about our bipartisan responsibility to reduce the risks of war so that our societies can truly prosper in peace.

We're determined to assure the effectiveness of our deterrent through the modernization of our aging strategic forces and to do everything we can to achieve deep reductions to equal and more stable levels of U.S. and Soviet nuclear forces. We are taking important and positive steps in the negotiations in Geneva on intermediate and strategic forces. Regarding the intermediate force negotiations, I have stated that, while we continue to favor the complete, global elimination of the entire class of land-based, intermediate-range missiles, we will agree to any proposed equal number of warheads on which [such] U.S. and Soviet missiles and upon which we can agree.

Two weeks ago, I announced that Ambassador Ed Rowny, our negotiator in the strategic arms reduction talks, the ones we call START, was going to Geneva with new

instructions to give us greater flexibility in the talks. Our proposal incorporates the recommendations of the Scowcroft commission on strategic forces. It reflects a growing consensus and support crucial to effective negotiations. The Soviet Union has not yet responded positively. We sincerely hope they will. The aspirations for genuine arms reductions, stability, and peace are shared by all mankind. And I pray the day will come when nuclear weapons no longer exist anywhere on Earth.

I thank you again for all your courage and support. We've worked too hard, struggled too long, and come too far to turn back now. We're not going back to that old road where government decides it knows better than us what should be done with our earnings and how we should live our lives. We're not going back to fear, envy, and failure. We're going forward on a new road that's bold and filled with hope and opportunity.

So, let us remain united and true to our vision of progress, a vision that begins with your families, your churches, your synagogues, and schools, and neighborhoods. We don't ask you to trust us. We say, "Trust yourselves. Trust the values that made us a good and loving people." Working together, giving, and trusting each other and trusting in God, we'll do what is right to preserve our freedom and America—the last, best hope of man on Earth.

And now, I'm delighted to sign the Executive order creating the first Presidential Advisory Commission on Women's Business Ownership.

[At this point, the President signed Executive Order 12426.]

It's a funny thing, these government pens. It takes three of them to write one name. *[Laughter]*

Thank you, and God bless you all.

Note: The President spoke at 1:08 p.m. in the International Ballroom at the Washington Hilton Hotel.

Executive Order 12426—President's Advisory Committee on Women's Business Ownership

June 22, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to establish, in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), an advisory committee on women's business ownership, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the President's Advisory Committee on Women's Business Ownership. The Committee shall be composed of no more than 15 members appointed or designated by the President. These members shall have particular knowledge and expertise concerning the current status of businesses owned by women in the economy and methods by which these enterprises might be encouraged to expand.

(b) The President shall designate a Chairperson from among the members of the Committee.

Sec. 2. Functions. (a) The Committee shall review the status of businesses owned by women; foster, through the private sector, financial, educational, and procurement support for women entrepreneurs; and provide appropriate advice to the President and the Administrator of the Small Business Administration on these issues.

(b) The Committee shall submit reports to the President on a periodic basis.

Sec. 3. Administration. (a) The heads of Executive agencies shall, to the extent permitted by law, provide the Committee such information as it may require for purposes

of carrying out its functions.

(b) Members of the Committee shall serve without compensation for their work on the Committee. However, members appointed from among private citizens of the United States may, subject to the availability of funds, be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service (5 U.S.C. 5701-5707).

(c) The Administrator of the Small Business Administration shall, to the extent permitted by law, provide the Committee with such administrative services, funds, facilities, staff and other support services as may be necessary for the performance of its functions.

Sec. 4. General. (a) Notwithstanding any other Executive Order, the functions of the President under the Federal Advisory Committee Act, as amended, except that of reporting to the Congress, which are applicable to the Committee, shall be performed by the Administrator of the Small Business Administration, in accordance with guidelines and procedures established by the Administrator of General Services.

(b) The Committee shall terminate one year from the date of this Order.

RONALD REAGAN

The White House,
June 22, 1983.

[Filed with the Office of the Federal Register, 10:43 a.m., June 24, 1983]

Remarks in a Telephone Conversation With William M. Ellinghaus, President of A.T. & T., on World Communications Year

June 23, 1983

Mr. Ellinghaus. Good morning, Mr. President.

The President. Bill Ellinghaus, is this you?

Mr. Ellinghaus. This is I.

The President. Listen, I'm very pleased to have been invited by you to be a part of

the U.S. Council meeting for World Communications Year, since I know that this gathering is the focal point for a number of important announcements.

The American communications industry has repeatedly demonstrated our nation's technological and entrepreneurial leadership. And I'm very pleased to note that the spirit of private enterprise that's made our world leadership possible has, at the same time, demonstrated our national concern that world communications innovations should represent a force for economic prosperity and good will.

In fact, something of that technology is apparent in this very call, because I know you're utilizing a satellite, but, also, I'm calling you from Air Force One, someplace out here between Washington and Chicago.

I understand that the announcements of U.S. investments in World Communications Year projects range from large to the small and from the technical complexity of IBM's Caribbean Inter-Island Disaster Warning System to the simplicity of international educational exchange.

And while we don't want to lose sight of the importance of the educational exchange and technical assistance investments, I'm pleased to see the extraordinary possibilities of the new technologies represented in the New York Teleport. The Teleport project represents the best kind of public-private partnership with the Port Authority of New York, the city of New York, the States of New York and New Jersey, Merrill Lynch, and Western Union—have all joined in creating a facility that will establish a communications gateway and permit vast, new communications possibilities.

And I'm pleased to see that with the efforts of Roger Birk, the chairman of Merrill Lynch, Mayor Koch, the Port Authority of New York—all of you are to be commended for what you're doing. At this Council meeting of the World Communications Year, we

should all be pleased that you've managed to combine your concern for world communications needs and for the nations and peoples who've historically been less fortunate, with this introduction of another great American achievement.

So, God bless you all, and thank you for letting me participate by this long-distance method.

Mr. Ellinghaus. Mr. President, on behalf of the World Communications Year '83 Council, I want to thank you for your very, very encouraging words and certainly for demonstrating in a most effective way how communications do, in fact, bring us very close together. It's a great send-off for our meeting here at the White House.

So, we thank you again, Mr. President.

The President. Have a good meeting.

Mr. Ellinghaus. Thank you, sir.

The President. You bet. Goodbye.

Mr. Ellinghaus. Goodbye, sir.

Note: The telephone conversation began at 10 a.m. while the President was traveling on Air Force One from Washington, D.C., to Chicago, Ill.

Mr. Ellinghaus, president of A.T. & T., was chairman of the U.S. Council for World Communications in 1983, a private sector group of representatives from industry, labor, academia, the media, and professional and trade associations, formed to implement goals for the United States during World Communications Year.

On December 16, 1982, the President met with Mr. Ellinghaus and other communications industry leaders in the East Room at the White House, where the President signed Proclamation 5006, proclaiming 1983 as World Communications Year 1983: Development of Communications Infrastructures.

As printed above, this item follows the text of the White House press release.

Remarks to Polish Americans in Chicago, Illinois June 23, 1983

Thank you, Al Mazewski. As a matter of fact, I would have rather just stood there and listened to some more—[laughter]—come up here and talk.

Father Pajak, Senator Percy—and I know your secretary of state is here, Jim Edgar, you ladies and gentlemen, the distinguished guests who are here:

Our country's composed of cultures, races, and ethnic groups. But there's one thing we all have in common, something that ties us together as one people and is at the very heart of our national character, and that is a fervent love of liberty.

I've found that I can't lean on this on account of if I do it sinks. [Laughter] So, I'll stop leaning.

It's this heartfelt conviction that today finds us, not just Polish Americans but all Americans. And it binds us with those who struggle for freedom and independence in Poland. Let no one mistake our fortitude. Time may pass, but the American people will never, never forget the brave people of Poland and their courageous struggle. It seems like only yesterday when all of us were so filled with hope. Solidarity, a truly independent labor union, had emerged. And with it came new recognition of freedoms of speech, press, and the right to free association to strike and to reap the fruit of one's labor. Perhaps nothing more clearly demonstrates the repressive and insecure nature of communism than the tremor felt throughout the Communist world as a result of Polish workers and citizens exercising inalienable human rights, the rights that are so fundamental to free Western societies and that we too often take for granted.

Solidarity was born not only of the failure of the Polish Government to meet the needs of its people but also from a noble tradition of freedom preserved and nourished by the proud Polish people through two centuries of foreign and domestic tyranny. Symbolizing the battle of real workers to sustain fundamental human and economic rights in a so-called worker's state, Solidarity sought to address and to resolve

Poland's deep-rooted economic ills. It acted in good faith, and it pursued a path of constructive dialog with the Polish Government. Despite these peaceful efforts on the part of Solidarity, a brutal wave of repression descended on Poland on December 13th, 1981.

The imposition of martial law stripped away all vestiges of the newborn freedom. Polish authorities resorted to arbitrary arrests, imprisonment, and the use of force. The free flow of people, ideas, and information was suppressed. A darkened cloud descended on Poland. But not all has been darkness.

Despite the unyielding repression for the last 18 months, the will of the Polish people has not yet been broken, and we've seen that on television over these last several days. And the Papal visit to Poland, which ends today, is truly a ray of hope for the Polish people and an event of historic importance.

During these 8 short days, the Pope's message of hope and faith has helped to inspire millions of Poles to continue their struggle to regain the human rights taken from them by the Polish authorities on December 13th.

I was deeply moved, as I know you were, by the Pope's outspoken defense of the Polish people's human rights. His frequent statements of support for the interned, the imprisoned, and those dismissed from work for their political activities were poignant reminders to the Jaruzelski regime and the Soviets that they cannot hope to permanently erase the historic August accords. Freedom-loving people everywhere support His Holiness' call for social renewal, social justice, and reaffirmation of national sovereignty.

I've long felt that many, if not all, of the problems faced by the Polish people could be resolved if Warsaw's neighbors would permit that beleaguered nation to work them out undisturbed. And you're aware of the neighbor particularly that we're talking about.

I've developed a new hobby. It is one of finding and then verifying from some of the dissidents who are here in our country, who've escaped, the jokes that the Russian people are telling among themselves which shows their cynicism about their own government. And one of the recent ones is that they were saying that if the Soviet Union let another political party come into existence, they would still be a one-party state, because everybody'd join the other party [Laughter]

I have to tell you the latest one that I found is so typical. And this, too, is of the Soviet Union and its failures. The story is that a Commissar visited a collective farm, and grabbed one of the workers to talk to him and said, "How are things here?" "Oh," he said, "everything is just wonderful." He said, "There are no complaints, haven't heard a single complaint." "Well," he said, "how are the crops?" "Oh," he said, "the crops—never better, everything just fine." "What about potatoes?" He said, "Potatoes," he said, "if we piled them up in one pile, they'd reach the foot of God." [Laughter] And the Commissar said, "This is the Soviet Union. There is no God." He said, "That's all right; there are no potatoes." [Laughter]

But seriously, the need for dialog and reconciliation in Poland has never been more evident than it was during the Pope's visit. The gulf separating the Polish people from their government remains vast. And nothing showed this more clearly than the faces, the words, and the signs carried by the millions of Poles who traveled great distances to see and hear the Pope. His call on the need to find a humane way for a peaceful and rational solution to the conflict offers the only prospect of bridging this gap between the people and their government.

I suspect that the Polish people are even more ready in the aftermath of his visit to begin a dialog. But the real question is not the willingness of the Polish people, but that of the Warsaw Government. I urge the Polish authorities to translate the restraint they showed during the Papal visit into willingness to move toward reconciliation rather than confrontation with the Polish people.

I was also impressed by the Pope's words

on the importance of free trade unions, and his quote of Cardinal Wyszyński, the comment that there is an innate right to form free associations and that the state's only role is to protect it, to protect that right.

The actions of the millions of Poles who attended the Masses around the country, inspiring the spirit which gave rise to Solidarity, still flourishes in Polish hearts. There is only one way for the Polish Government to gain the confidence and trust of its own people. And that is to end martial law, to release political prisoners, to restore freely formed trade unions, and to embark on a path of genuine, national reconciliation.

We are currently consulting with our allies on the Polish question. Once these consultations are complete, we'll decide on how to proceed in our relations with Warsaw. In the meantime, I would only repeat what I said in my December 10th speech: "If the Polish Government takes meaningful, liberalizing measures, we are prepared to take equally significant and concrete steps of our own."

Moreover, the United States will continue to provide humanitarian assistance to the Polish people. I know the great sacrifices which so many of you and the Polish American community have been making to send assistance in the form of food and medical supplies. We, too, have participated in this humanitarian effort with more than \$40 million worth of aid distributed through CRS and CARE. As I've said before, if the Polish Government will honor the commitments it has made to basic human rights, we in America will gladly do our share to help the shattered Polish economy just as we helped the countries of Europe after both World Wars.

I've talked of freedom. We've talked of freedom many times. Many of you have seen firsthand there, in visits to relatives or in being there before you came here, what is going on. But to many of us, freedom becomes a word, and particularly to our young people. They hear it so often. And they don't have an opportunity to really know what is so important about that word.

And just a few days ago, I received a letter from a woman who had just returned from a visit to relatives in Poland. And yet

it was her first visit there. And she said, "I felt that I owed you this letter. Until 3 weeks ago I supported a nuclear freeze and arms reduction," and she went on with some of the other things. "But," she says, "not any more. Not after what I've seen."

I'll only read a few paragraphs. She said: "Poland is a concentration camp encircled by the same double strands of barbed wire that is displayed at Auschwitz and Buchenwald—camps so atrocious they have been preserved so that we shall never forget and never permit this sort of thing to happen again. But it is happening today in the great nation state of Poland. The fear in the faces of men, women, and children is also a reminder of things past. People speak in whispers, look over their shoulders constantly. And a few brave young people will tell you that people still disappear daily from their jobs and their homes. As an American observer, I see little difference between the Gestapo and the KGB."

She goes on eloquently about other things there that she's seen and the differences. She says, "I, too, support human rights. I was in Warsaw and Cracow. And I was asked by the people there if people in America understood what was happening in Poland under Russian domination. I said no. No, because we don't know fear, oppression, religious censorship. We have

never known the hopelessness that comes from living under a dictatorship. If there could only be one protest march in Poland today, Mr. President, it would not be for arms reduction or jobs or food or even clothing. But rather for the most prized and valued fundamental right of all—of every living soul in this universe: freedom." And then she asked that we keep that light of freedom burning here, because the whole world is watching and living by its glow.

The visit by John Paul II to his homeland was an inspiration to all who cherish freedom. It vividly showed that no one can crush the spirit of the Polish people. The moving words of the Polish National Anthem, "Poland has not died while we yet live," are more true today than ever. The spirit of Solidarity that unites the Polish people with free people everywhere has never been stronger.

I thank you for letting me be with you this brief time here today. God bless you all. And we shall stay together, and we'll let Poland be Poland.

Thank you.

Note: The President spoke at 10:20 a.m. outside the Polish National Alliance Hall. He was introduced by Aloysius Mazewski, president of the Polish National Alliance and the Polish American Congress.

Remarks at the Annual Meeting of the American Medical Association House of Delegates in Chicago, Illinois

June 23, 1983

Thank you very much for a very warm welcome. Thank you for inviting me today, and I know Nancy would want me to thank you for your donation to the National Federation of Parents for Drug-Free Youth.

I'm delighted to address this annual meeting of the AMA House of Delegates, and I want to congratulate Dr. Jirka and Dr. Boyle on their new positions. I can't help but think what a great place this would be and what a great moment to have a low back pain. [Laughter] But I left him in Washington. [Laughter]

You know, one thing I've always liked about doctors is that you generate lots of anecdotes, which is very good for—[laughter]—very good for those of us who have to travel the mashed-potato circuit. Like the one about the fellow who went to the hospital for a complete check-up, very depressed, and said to the doctor, "I look in the mirror, I'm a mess. My jowls are sagging. I have blotches all over my face. My hair has fallen out. I feel ugly. What is it?" And the doctor said, "I don't know what it is, but your eyesight is perfect." [Laughter]

Well today, I'd like to take a clear-eyed look at our health care system. And let me start by saying as strongly as I can, the quality of American medicine is unsurpassed and on that we don't need a second opinion. What our space shuttle is to technology, our health care is to medicine. In life-saving discoveries, in innovative treatment, in the overall quality of services, America's doctors have no peers. Your medical accomplishments are a gift to mankind that honors us all. And I have a special appreciation for the skill of some Washington doctors and nurses who patched up an inner tube for me and had me back on the road very early and in quick time.

My respect for your profession is deep and personal. Let me add here that Judi Buckalew, who recently joined my staff as a special assistant, is the first registered nurse to serve in such a capacity. Her duties aren't medical, although with what's going on in Congress, Judi, it might be a good idea if you carry smelling salts. *[Laughter]*

A moment ago, I mentioned the space shuttle which, as you know, is scheduled to land tomorrow, weather permitting. And now it's beginning to look as if weather isn't going to permit. But medicine, as well, is becoming high-tech, increasingly so—in some instances, high-bio. Through computers, lasers, nuclear devices, and various “Star Wars” technologies, your diagnostic and healing powers have multiplied over the last decade. We're going to make sure that trend continues by promoting solid math and science skills in our schools. We'll also further that trend with an active Federal role in quality research.

I believe the Orphan Drug Act that I signed in January eventually will add to your curing powers. As you know, the sad fact is that many diseases still cripple or kill hundreds of thousands of Americans because no drugs have yet been developed. Statistically, they are rare diseases, yet that's small comfort for those afflicted and their families. The cost of discovering and developing a new drug, of course, is often staggering. This legislation provides incentives for the private sector to develop drugs to treat these rare diseases.

And I'm proud to say the FDA under this administration has proposed new initiatives

to help streamline the drug approval process. We want a process that genuinely promotes the public health not only by keeping unsafe and ineffective drugs off the market but by enabling beneficial new drugs to reach those who need them more rapidly.

We recognize full well that if the burdens of excessive regulation are lifted, the American medical community can do an even better job in protecting the health of the American people.

While the quality of health care in this nation is unsurpassed, unfortunately, so are the costs. In fact, many patients believe that a hospital should have the recovery room adjoining the cashier's office. *[Laughter]*

I know cost is a matter that concerns you, as well. The AMA deserves congratulations for its cost-effectiveness programs and its health policy agenda. And, as I did at the White House in April, let me again thank those medical societies that have private sector programs to assure cost will not prevent anyone from receiving medical care.

But the problem of health care costs is so pressing you can't carry that full burden alone. For the last 12-month period, health care costs went up almost two-and-a-half times the overall inflation rate. In 1982 the cost of health insurance rose nearly 16 percent. Health care costs are consuming a growing portion of the Nation's wealth, and this is wealth that cannot be spent on education or housing or other social needs.

Health care costs are not just the concern of the sick in our society. Everyone is affected. The taxpayer picks up the tab for 40 percent of all hospital bills, mainly through medicaid and medicare. Because of rising costs, the poor on medicaid have seen their coverage reduced as States make cutbacks. Because of the increased cost of health insurance, employees have received lower cash wages. Consumers have paid higher prices for goods and services, since the costs of employee health benefits must be included in the price of products. And the elderly who are covered by medicare face the threat of catastrophic illness expense, against which medicare offers no protection.

It's high time that we put health care

costs under the knife and cut away the waste and inefficiency. The growth in medical costs is malignant and must be removed for the continued health of the American people.

The danger is that high medical inflation may soon jeopardize the quality and access of our health care, and America won't be able to sustain its unequaled health care system if citizens can't afford it. Not all Americans have the fancy, gold-plated, all-option insurance plans that cover every sneeze and itch. Yes, the big corporations can look after their people, but let's not forget that little guy down at the doughnut shop.

Don't get me wrong. It's not bad to spend money on health care, far from it. The Nation's high level of health expenditures is testimony to our people's compassion. We can't and we will not scrimp on the health of America's citizens. But on the subject of compassion, let me clear something up. In spite of all the stories you hear on television—and I would turn flips down the halls of the White House if this next statement made the evening news—[*laughter*]*—the truth is that this administration, in 1984, will devote more money to health care than any administration in history. That probably surprises you. But 49 million elderly, poor, and disabled persons—one out of every five Americans—will have health care needs met through medicare and medicaid in 1984. That's a million more than this year and 3 million more than in 1980.*

With this kind of solid record, you can understand why I get a little irritated by those who say that we're cutting health care. The critics remind me of the hypochondriac who was complaining to the doctor. He said, "my left arm hurts me, and also my left foot, and my back. Oh, and there's my hip and, oh, yes, my neck." And the doctor muttered something to himself and then sat him down and crossed his legs and tapped him with the little rubber hammer. He says, "How are you now?" And the patient said, "Well, now my knee hurts, too." [*Laughter*]

Many of our critics are simply political hypochondriacs. They're complaining about every little ache. I've also read those know-

nothing stories about this administration ignoring childhood diseases. Well, let me just tell you that in the last 2 years, the reported cases of diphtheria, measles, mumps, polio, rubella, and tetanus, as I'm sure many of you know, have reached all-time lows. The measles rate is down by nearly half over '81. The problem is that Washington is full of special interest groups passing around self-serving studies that are then reported as fact. They serve up headlines, but too many of them don't serve up the truth.

I understand why doctors are torn by our attempts to put the brakes on the budget. Like most citizens, you want to slow the growth in Federal spending. Yet, at the same time, professionally, you worry about this braking action and that it may affect our health care, especially the health care of the poor. Well, let me reassure you: We're not trying to limit the quality and access of America's health care; we're trying to save it. We want a health care system that is affordable and fair to all Americans. There are some who, no matter what the problem is, think money is the answer. If you told them that you had walking pneumonia, they'd give you 5 bucks and tell you to take a cab. [*Laughter*] And if they're not proposing more money, they're proposing more government controls over the practice of medicine.

Back in 1847 a group of 250 physicians convened in Philadelphia to establish this American Medical Association. Well, I'm going to tell you what I told them. [*Laughter*] We have the best health care in the world, because it has remained private. And, working together, we'll keep it that way. The Government plays a role, of course. I believe medicare and medicaid have filled genuine needs in our society. But our Federal health care system was designed backward. The incentives have not been to save, but to spend. Medicare and Medicaid costs have gone up nearly 600 percent since 1970. For too long, the Federal Government has had a blank check mentality. The hospital simply filled in the amount they wanted and then Uncle Sam, or, to be more precise, the hard-pressed American taxpayer paid the bill.

Today, for example, medicare payments

for treating a heart attack can average \$1,500 at one hospital and \$9,000 at another, with no apparent difference in quality. Likewise, medicare payments for hip replacements can vary from \$2,100 to \$8,200. And payments for cataract removal can vary from \$450 to \$2,800.

One of our reform measures to control hospital costs has already been passed. No longer will we pay virtually whatever the hospital asks. With our Prospective Payment Program, we'll pay one fair rate, and the hospital that delivers its services at a cost less than that rate can keep the difference. In the past the government actually subsidized and encouraged inefficiency by paying more to the inefficient hospital than to the efficient one.

Medicare cost-sharing has often seemed backward as well. Under current law, unbelievable as it seems, medicare hospital coverage can actually expire in the event of catastrophic illness—just when it's needed most. And even when the coverage has not expired, those in a hospital with stays for 60 days must make every high, out-of-pocket payment. In contrast, those with shorter hospital stays pay nothing out-of-pocket after the first day. It's cheaper for the patient to be at the hospital than at home.

We're trying to make coverage fairer by using moderate cost-sharing early in an illness, rather than imposing severe costs later, when the patient has little choice over the length of the hospital stay.

Under current law, the average patient hospitalized in 1984 for 150 consecutive days would owe \$13,475 from his or her pocket and then bear the total cost of all subsequent hospital care. Under our plan, the patient would owe only \$1,530 with absolutely no cost for subsequent hospital care. The copayments proposed for medicare are nominal—\$1 to \$2 a day—and intended only to discourage the unnecessary use of services.

We also propose limiting the current tax subsidy for high-priced health plans. Most employer contributions for employee health benefits should be tax free because this encourages employee health insurance. Our plan would simply cap this tax-free treatment in order to correct the bias toward high-priced first dollar coverage. Health in-

surance should cover hepatitis and whooping cough, not hiccups. The proposed cap is an effort to make the tax law neutral in the choice between added wages and added health benefits. The Bible tells us that in creating the universe God made order out of chaos. Well, at times I think even the Almighty would have His hands full making orders out of the regulatory tangles that afflict our health care system. But our reforms are a conscientious start. Some of these reforms, such as prospective pricing, catastrophic coverage, and capping tax-free health insurance, many of you either support or remain flexible. And I want to thank you for these positions. I realize that other of our reforms, such as medicare vouchers or competitive bidding, many of you don't support.

Well, I'd like to explain an additional proposal you don't support—the 1-year freeze on medicare physician reimbursement. These payments have been increasing at highly inflationary rates. In 1982 they increased 21 percent and are expected to rise 19 percent more in 1983. Now we believe physicians, too, must share the burden of slowing the rise in health care costs. As the patient in the movie often says, "Give it to me straight, Doc." Well, we believe the straight answer is that a 1-year freeze is painful but necessary medicine.

In spite of occasional differences of opinion, our goals are the same as the AMA's. As written in your constitution more than a century ago, the purpose of the AMA is to promote the science and art of medicine and the betterment of public health. Well, we, too, are looking for ways to improve the health of the American people, and we need your support and your ideas.

I want to insert something here. I want to applaud the efforts by the AMA to become more involved in the public debate regarding environmental health risks. Yesterday, in a speech before the National Academy of Sciences, EPA Administrator William Ruckelshaus urged the scientific community to take an active role to help clear up confusion over the health dangers of chemicals. Your resolution on dioxin contamination is a positive step to a more reasonable public discussion of these important issues, and I

commend you and thank you for it.

I think sometimes we want health and we don't want public hazards, dangers to our people, wherever they may be, but a very eminent scientist once said that he questioned whether there were any dangerous or harmless substances. He said there were only dangerous or harmless amounts. And I think that sometimes we have, with the fantastic and the dramatic—*melodramatic* treatment of some of these things, we have frightened a great many people unnecessarily. And the answer is not to take risks, not at all, but to make sure, also, that we haven't frightened people unless there is truly a reason for them to be frightened.

Before I go, let me briefly mention an issue important to you, both as citizens and as doctors. Last week I sent another message to—or a message to another group of doctors who were gathered in an international conference in Holland. They were not meeting on heart disease or nerve disorders; they were meeting on the matter of preventing nuclear war. And I told them that we have an unprecedented opportunity to reduce nuclear arsenals. Very serious negotiations are proceeding in Geneva between the United States and the Soviet Union on the means of achieving substantial, equitable, and verifiable reductions in our nuclear arsenals and on building the mutual confidence necessary to reduce the risks of nuclear war. No task has greater significance for us, our allies, and for the entire world than to work for the success of the Geneva negotiations and reverse the growth in nuclear arsenals.

We've been making a great effort to move these negotiations forward. Just 2 weeks ago, I announced that our negotiator, Ambassador Ed Rowny, would be going to Geneva with new instructions to give us

greater flexibility in the talks and to take account of concerns the Soviets have expressed to us. I told the doctors meeting in Holland, those negotiations deserve the full support of all who seek genuine progress toward peace.

That was my message to the international group of physicians—to reaffirm that nuclear war cannot be won and must never be fought. I invited their support for the important arms reductions negotiations underway in Geneva, and today, I invite your support, as well, so that we can make real progress toward the genuine peace that we all seek for ourselves and for our children.

Charles Kettering once said that the greatest thing any generation can do is to lay a few steppingstones for the next generations. And that's what we're trying to do. We want to lay steppingstones to better health care and a more secure peace for America. And with your help we can do it.

Thank you, and God bless you all.

Note: The President spoke at 11:27 a.m. in the Grand Ballroom at the Chicago Marriott Hotel following an introduction by Dr. Harrison L. Rogers, speaker of the AMA House of Delegates. Dr. Rogers announced a \$5,000 donation from the association to the National Federation of Parents for Drug-Free Youth.

In his remarks, the President referred to Dr. Frank J. Jirka, Jr., and Dr. Joseph F. Boyle, the new president and president-elect, respectively, of the AMA.

At the conclusion of his address, the President met briefly with members of the executive board and then had lunch with the board of directors of the AMA.

Following the luncheon, the President returned to Washington, D.C.

Appointment of Two Members of the President's Advisory Council on Private Sector Initiatives, and Designation as Chairman and Vice Chairman

June 24, 1983

The President today announced his intention to appoint the following individuals to be members of the President's Advisory Council on Private Sector Initiatives. The President intends to designate Robert A. Galvin as Chairman and Gloria E. A. Toote as Vice Chairman.

Robert A. Galvin is currently chairman and chief executive officer of Motorola, Inc., in Chicago, Ill. He began working for Motorola in 1940, was named president of the company in 1956, and became chairman and chief executive officer in 1964. He was awarded the Medal of Honor from the Electronic Industries Association and the Golden Omega Award for his outstanding contributions to the advancement of the electronics industry. Mr. Galvin attended the University of Notre Dame and the University of Chicago. He is married, has four chil-

dren, and resides in Barrington, Ill. He was born October 9, 1922, in Marshfield, Wis.

Gloria E. A. Toote is currently president of TREA Estates and Enterprises, Inc., a construction firm. Previously she was Assistant Secretary for Equal Opportunity, U.S. Department of Housing and Urban Development (1973-1975); Assistant Director of ACTION (1971-1973); and president of Toote Town Publishing Co. and Town Recording Studios, Inc. (1966-1970). She is a founding member of the board of governors of the National Black United Fund, Inc., and a member of the steering committee for Citizens for the Republic. Dr. Toote has received special achievement awards from the National Association of Black Women Attorneys. Dr. Toote graduated from Howard University (B.A., 1952; J.D., 1954) and Columbia University (LL.M., 1956). She was born November 8, 1931, in New York City, where she currently resides.

Appointment of Guadalupe Quintanilla as a Member of the National Institute of Justice Advisory Board

June 24, 1983

The President today announced his intention to appoint Guadalupe Quintanilla to be a member of the National Institute of Justice Advisory Board, Department of Justice, for the remainder of the term expiring November 11, 1984. She would succeed Samuel Hirsch.

She is currently assistant provost of the University of Houston and also acts as a consultant to the Houston Police Department. Among her other responsibilities, she teaches courses in Spanish language and

culture to members of the Houston Police Department, as well as to cadets attending the Police Academy. Previously she was assistant professor of Spanish (1976) and director of the University of Houston's Mexican American studies program (1972-1978).

Mrs. Quintanilla graduated from the University of Houston (Ed. D., 1976; M.A., 1971) and from the Pan American University (B.S., 1969). She is married, has three children, and resides in Houston, Tex. She was born October 25, 1937.

Remarks to Space Shuttle *Challenger* Astronauts Following Their Landing

June 24, 1983

The President. Commander Crippin.

Commander Crippin. Good afternoon, Mr. President.

The President. Well, welcome home.

Commander Crippin. Thank you very much, sir.

The President. And now this is the second time—you know, I was going to meet you in Florida, but then you decided to land in California—but again, you didn't stop and pick me up off the South Lawn, like I ask you to.

Commander Crippin. I'm guilty, sir. [Laughter]

The President. Listen, I just want to congratulate you all. This has been a wonderful mission, and I'm sure, as you know already, all of America was watching you and what you were accomplishing up there. And it was a first in many ways, one of which is the largest crew to ever go up. And I guess the first retrieval of a satellite is another first that has been talked about incessantly. And I understand that Dr. Ride wishes there wasn't so much talk about that.

Well, Dr. Ride, let me just remind you that when we had lunch here at the White House before your flight, that somebody said that "sometimes the best man for a job was a woman." And, in this particular instance, your handling of that long arm and that retrieval and all did indicate you were there for one reason: You were there because you were the best person for the job.

And I think that sets a standard that's going to be followed by men and women in the force from now on with these experiments. People are picked neither because of, nor in spite of, but simply because, like all five of you, you were the best for this assignment. And you've done so much. And to think that people as far away as Indonesia—which didn't look far away to you when you were going over—but people that far away will have better telephone service because of what you've accomplished and what you did up there.

It's just a most thrilling thing, and I can't

tell you how much all of us appreciate it but also how proud you've made everyone in America.

Dr. Ride. Well, thank you. I appreciate that very much.

Commander Crippin. Yes, we all do, Mr. President. And I think maybe you indicated to us the other day when we were having lunch that seven was a particularly valuable number in your life. I think you bestowed upon us some of the luck that is associated with it. And as John Fabian indicated to you, it was a truly international mission, and it came off, from our standpoint, as well as we could have asked.

We would have liked to have landed at Kennedy. We have lots of friends here at Edwards, and we're always proud to come back. We were all honored to fly. I've got a fantastic crew. And, hopefully, we'll all get a chance to do it again sometime.

I think we proved that the *Challenger*, and the *Columbia* before it, is a super machine that can do many, many things, for not only the United States but for the people of the world.

The President. Well, there's no question about that. And, all five of you here and—very frankly and seriously, I am sorry that the people who were all waiting down in Florida were disappointed at the fact that the landing had to be changed because of the weather. I guess still, with all of our miracles, that's the one thing we haven't been able to overcome yet. No one could do anything about the weather. But, it didn't detract at all from your accomplishment. And we know that you'll be flying again in future *Columbias* and *Challengers*, and you'll have the full cooperation that we can give to keep on with this magnificent work.

God bless all five of you. Thank you for what you've done for the world.

Crew members. Thank you very much, Mr. President. Thank you. Appreciate it. Thank you, sir.

The President. Well, back to your brief-

ing—debriefing.

Crew members. Thank you, sir.

Note: The President spoke by telephone at 12:49 p.m. from the Diplomatic Reception

Room at the White House. The astronauts were conducting a news conference at Edwards Air Force Base, Calif., where they had landed earlier in the day.

Nomination of Warren T. Lindquist To Be an Assistant Secretary of Housing and Urban Development

June 24, 1983

The President today announced his intention to nominate Warren T. Lindquist to be an Assistant Secretary of Housing and Urban Development for Public and Indian Housing. He would succeed Geno Charles Baroni.

Mr. Lindquist is currently chairman and director of SCETAM, Inc., a management consulting firm concerned with regional economic development. Additionally, he is a member of the board of directors of the New Community Development Corp.; a general partner in Q-L Partners, a New York real estate investment and management firm; and director of Johanson Manu-

facturing Corp. Previously Mr. Lindquist was a senior associate with David Rockefeller (1951–1977). He originated and supervised Mr. Rockefeller's interest in such commercial investment ventures as L'Enfant Plaza in Washington, D.C.; Embarcadero Center in San Francisco, Calif.; and Interstate North in Atlanta, Ga.

Mr. Lindquist graduated from Lafayette College (B.A., 1940) and did graduate work in finance and investment at New York University. Mr. Lindquist is married, has 10 children, and resides in Washington, D.C. He was born in New York City on June 18, 1919.

Statement on Federal Income Tax Reduction

June 24, 1983

I am both saddened and appalled that the liberal House leadership is pursuing a strategy that would jeopardize our hard-earned recovery. Their continuing drive toward higher spending and higher taxes on middle-income families can only be considered a threat to the health of our economy. By approving yesterday their so-called tax cap, the Democratic House has renounced John F. Kennedy's criteria for growth and opportunity—equal tax rate reductions for all working Americans.

Their permanent tax increase, if enacted, would be a betrayal of 2.4 million small businesses, 350,000 family farms, and millions of middle-income married couples

filing joint returns.

I am confident that the Senate next week will defeat this ill-advised, misguided, and politically motivated proposal. Let the American people know—their full 10-percent tax cut due on July 1st will go into effect on schedule. Our economy is just beginning to sparkle with robust growth and the lowest inflation in a decade. I stand ready to veto this tax increase should it reach my desk and any spending bills that would send inflation and interest rates shooting up again. The American people have worked too hard for this economic recovery to see it now thrown to the winds of political gimmickry.

Radio Address to the Nation on Education *June 25, 1983*

My fellow Americans:

Ever since our Commission on Excellence in Education came forth with its findings, you, the taxpaying citizens of this country, have been treated to a noisy debate about what to do.

First, the Commission report made the point that on the average, educational quality had deteriorated in recent years. Now, make sure you remember that term "on the average." Admittedly, there are schools, school districts, and even some parts of individual schools that have managed to maintain a high level of quality.

Then, the Commission pointed out a number of remedies which, if employed, would bring the average level up to the standard our children are entitled to. Many of the remedies would call for no increase in spending; some, admittedly, would shift funding from less important things to things of greater educational value, and here and there, there might be a need for more money. Basically, however, the Commission's thrust was one of making better use of resources we already have.

All of what I've just pointed out was lost, however, in an explosion of voices. There were special interest voices that saw a chance to get more money for their particular cause. There were political voices that saw a campaign horse to ride. And there was demagoguery to help raise the noise level.

In making the report public and discussing the matter of education costs, I was accused of being "grotesquely inaccurate and outrageous." This seems to have been prompted by a statement that more was being spent on education than on national defense.

I can only explain their hysteria by assuming that they were comparing Federal spending on education to Federal spending on defense. That, of course, is ridiculous. The Federal Government bears overwhelming responsibility for national defense, but it provides less than 10 percent of all education costs, which are and always have been

a responsibility of the State and local governments.

Since this hassle won't die down in 15 minutes, I thought you might like some real figures from the U.S. Department of Education. In the '82-'83 school year, government at all levels spent \$215.3 billion on education. The 1983 defense spending is \$214.8 billion. Actually, that \$215 billion for education doesn't include Department of Defense spending for remedial education or private corporation spending on employee education, all of which is estimated to be about \$30 billion or more. Nor does it include what parents spend on books, etc.

One of the noisemakers wants the Federal Government to add \$11 billion to Federal education spending. Another demands \$14 billion. And most of them accuse us of whacking the budget down to a starvation level.

The facts are, the Federal budget for education in 1980 was \$14.1 billion. In 1981, which was still not our budget, it was \$14.8. Our first appropriation, the one for 1982, held the level for education at \$14.8 billion, the same as in 1981. This year we'll spend about \$15.3 billion.

Now, these are a lot of figures to absorb when you can only hear them and not see them. Let me see if I can simplify things. The cost per pupil has nearly doubled, up 183.2 percent in 10 years. In the same 10 years, the number of pupils has dropped by 14 percent.

Some distinguished Members of Congress—I'll be kind and not name them—took me on for pointing out that the decline in educational quality seems to have begun shortly after the Federal Government started providing that less than 10 percent of the funding. What I had in mind was that the Federal Government began regulating and kibitzing a lot more than 10 percent, and maybe that contributed to the decline.

Now hang on, I have to resort to some numbers again. The Federal funding boom began in 1960. The teacher-pupil ratio went from one teacher to 26 pupils, then to one

teacher to 19 pupils in 1980. But the Scholastic Aptitude Test scores of college-bound high school graduates dropped in that same period from 975 to 890. Maybe it's just a coincidence, but at least it raises a question as to whether more money is the—well, dare I use the term?—"quick fix" for poor quality education.

Already a great many educators and school boards and Governors and State legislators who've read the Commission's report are enthusiastically moving to implement it.

The Commission urged that we return to basics as requirements for a high school diploma: 4 years of required English; increase the number of years of required mathematics and science; eliminate some of the frill, the "snap" courses so tempting to students when there are few, if any, compulsory

courses; make history a required course, and the same for languages for the college-bound; require more homework. These were a few of the Commission's recommendations.

Yes, they talked of something that could translate into more money—better pay for better teachers to attract the brightest and the best to choose teaching as a career. Do what is done in every other profession and business—offer merit pay raises for those who earn and deserve them.

The Commission gave us a course to follow. It leads to better education for our sons and daughters. Let's ignore the noise-makers and set sail.

Thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Radio Address to the Nation on the Tricentennial Anniversary Year of German Settlement in America

June 25, 1983

Saturday, June 25th, is a special day for Germany and America. In the city of Krefeld, on the shore of the Rhine, Vice President Bush represented all Americans at an historic celebration. It was from Krefeld that, 300 years ago, the first German immigrants left for America. Those 13 Mennonite families came in search of religious freedom. They landed in Philadelphia and founded Germantown, Pennsylvania. From that moment on, Germany has contributed much to our way of life.

Today, about one in four Americans—or some 50 million of us—claim at least partial German ancestry. What has this meant to America? Well, the Conestoga wagon, the Kentucky rifle, blue jeans, the Brooklyn Bridge, and "Snoopy"; the first air-tight tin can, and many of our favorite beers; Dwight David Eisenhower and Wernher von Braun; Chrysler automobiles and Boeing aircraft. German farmers introduced winter wheat to our Middle West.

And no American should forget that at Valley Forge, General von Steuben, a

German volunteer, turned George Washington's demoralized troops into a disciplined fighting force capable of winning our struggle for independence.

Some of our most brilliant writers like John Steinbeck and H. L. Mencken, athletes such as Babe Ruth and Johnny Weissmuller, inventors like Charles Steinmetz and George Westinghouse, statesmen such as Carl Schurz and George Shultz, our current Secretary of State, share German descent.

For 300 years Germans have helped to build America. But America has given as well as received. After the Second World War, when Germany lay defeated, America gave material help through the Marshall plan and the Berlin airlift. Just as significant, if not more, we provided the inspiration to develop free institutions from the ruins of totalitarianism.

Today, the Federal Republic is a bulwark of democracy in the heart of a divided Europe. It enjoys prosperity undreamt of in 1945, and its political system is stable and strong.

West Germans and Americans are rightfully proud of our common values as well as our shared heritage. Today we stand shoulder-to-shoulder in the NATO alliance, defending freedom and preserving the peace. For three decades the German-American partnership has been a linchpin of the alliance. Thanks to it, a whole generation has grown up in Western Europe free from the ravages of war and spared from the repression suffered by Europeans to the East.

But with freedom comes responsibility, not least the responsibility to look beyond simplistic slogans to the truth on vital matters like security and arms reductions. I hope the younger generation, both in Germany and in America, will honestly consider all that we're doing to deter and to reduce the risks of war.

In the face of a large Soviet military buildup of both conventional and nuclear weapons, the United States, the Federal Republic of Germany, and our European allies have agreed to modernize our aging forces to assure an effective deterrent.

At the same time, in hopes of averting the large expenditure to modernize weapons, we're making a serious effort to negotiate major and effectively verifiable reductions of Soviet and American nuclear forces to lower and more stable levels.

In Geneva we've made far-reaching proposals to reduce nuclear arsenals and to build trust. We have proposed the global elimination of the entire class of intermediate-range land-based missiles and expressed our willingness to agree to any proposal equalizing the number of warheads on such U.S. and Soviet missiles.

In the strategic arms reduction talks, which we call START, I have within the last 2 weeks issued new instructions, incorporating the recommendations of the bipartisan

Scowcroft commission and giving our negotiator greater flexibility in their task.

The young people of Germany and the United States should not doubt our dedication to maintaining the peace. We share with them the dream that someday the time will come when no nuclear weapons will exist anywhere on Earth.

The ideals shared by our peoples, the desire for freedom and peace, bind the United States and the Federal Republic of Germany in so many ways. Building on this, we've launched a joint effort to provide more contacts between our nations and generations. In our country 22 Federal departments and agencies are participating in this effort. Plans range from traditional exchanges to an airlift program which will bring German heart patients to one of our outstanding hospitals for bypass surgery and train more German doctors to perform these life-saving operations.

This fall, a German will fly in NASA's space shuttle—the first foreigner to do so. Together, Germans and Americans will watch the flight's progress on their television screens, all praying for a successful mission and safe landing.

Germans and Americans of German descent can take special pride in their ancestry. But all Americans have benefited from the contributions which German Americans have made to our country, and we should all participate in honoring this heritage.

Thank you, and God bless you.

Note: The President spoke at 12:13 p.m. from the Oval Office at the White House.

On January 20 the President signed Proclamation 5014, proclaiming 1983 as the Tricentennial Anniversary Year of German Settlement in America.

Remarks at the Change-of-Command Ceremony for the Commandant of the Marine Corps

June 26, 1983

Generals, colonel, the distinguished guests who are here tonight, and the members of my own band—[laughter]—we are present tonight at one of the most solemn and important ceremonies in the life of a military service that began in 1775. Today, or tonight, we have passed the colors. We mark a change in command of an institution that is older than even our nation itself: the United States Marine Corps.

It is altogether appropriate that we should do so in this place. We stand today on the parade deck of one of the oldest military installations in America, the Marine Barracks, selected in 1801 by President Jefferson himself. And we stand in front of Washington's oldest, continuously occupied public buildings, the home of the commandants and the battle colors of the corps.

This place marks the home base of one of the world's most modern and powerful striking forces, a corps of honor and legend, a corps of selfless Americans whose valiant service has, for more than two centuries, thrilled their countrymen and kept their nation free. Because of their valor, faraway places whose names were once strange and unfamiliar to Americans are now part of our nation's history. Places like Tripoli, Chateau-Thierry, Iwo Jima, Inchon, and Khe Sanh. Names that speak of soldierly virtue. Names that evoke the spirit and memory of all those United States Marines who have given, and still give today, so valiantly of themselves, so that their countrymen might live in peace and freedom.

Today we mark the retirement of a man who exemplifies the best of these traditions, the 27th Commandant of the Marine Corps, General Robert Barrow. General Barrow's valor is testified to by his decorations, by his leadership of fighting marines in three of his country's wars. In World War II he served behind the Japanese lines with the Chinese guerrillas, the campaign where the cry "Gung ho!" was heard. And in Korea he fought at Chosin Reservoir. In Vietnam he played a critical role in the success of Oper-

ation Dewey Canyon.

Just after the breakout of Inchon in Korea the then Captain Barrow was at the head of a rifle company faced with a powerful enemy armored attack. He spoke for so much of Marine history when he later said of the marines that he led that day, and the victory they won, "They stood cool and tall and let them have it."

In peacetime, General Barrow has served his nation with equal distinction. Because of his leadership, the elite force that is always first to fight has never been better prepared to carry out its mission. Its weapons and tactics are modern; its morale is high; its men and women are dedicated to the standards of excellence that are synonymous with the title of United States Marine.

General Barrow, you leave a legacy that is reflected in the eyes of the Marines here today and in the unexcelled performance of the fleet Marine forces, both afloat and ashore in far-off lands. Under your stewardship as the 27th Commandant, the Marines have never been better prepared or better led.

I want to say I will miss you; I will miss your counsel and your decisiveness. As you return home, General Barrow, I give you, sir, on behalf of a grateful nation, what another distinguished soldier on a more somber occasion gave his departing comrades, many of whom would also return to Louisiana. "Take with you the satisfaction that proceeds from the consciousness of duty faithfully performed." And I pray, as did General Lee on that occasion, that a merciful God will extend to you and Mrs. Barrow His blessing and protection.

Ladies and gentlemen, I am delighted to add here, however, that we won't be losing his service altogether, because General Barrow will soon be serving his country again in a key advisory position.

General Kelley, I have the utmost confidence in you. Few public careers have shown as much selflessness and commitment to country as yours. In combat and in

peacetime you've been a dynamic and innovative leader of marines. You've had successful tours of duty and worked closely with all of our military services. You've won the respect and admiration of military and civilian leaders throughout the world.

Marines have always been asked to accomplish the most formidable tasks, as they are, this evening, serving in the difficult and dangerous task of peacekeepers in the Multinational Force in Lebanon. I expect, General Kelley, that under your leadership that performance will exceed expectations and that you will hold with the standards of excellence that are the hallmark of the Corps and the pride of the American people. At this ceremony tonight, viewing the marines that are here with us, all of us in civilian life feel a surge of that pride.

On a personal note, I want to say that I came here early in my term as President and saw the evening parade held during the summer months at these barracks. Some call it the best show in town. I can only tell you that I consider it one of the most unforgettable moments of my term in office. Yet it is an experience I share with the countless Americans who have come here over the years and seen the drill and the pageantry and the pride of the corps.

And I hope the Marine Corps will forgive me when I say that it is sight of these everyday Americans, from small towns and big cities, that is as inspiring as the marines on parade, for it is they who, thrilled beyond description, stand here and cheer. They cheer because they're grateful for the chance to show the world how America feels about her Marines.

And so to the new Commandant, General Kelley, I issue the first orders from your Commander in Chief. On behalf of all Americans I want a message sent to every member of the corps, to every place where the words "Semper Fidelis" is a way of life. General, tell it to the Marines, whether in ceremonial white or leatherneck blue, whether in dress greens or combat camouflage, whether they serve in the air, on land, or at sea, tell them that their countrymen are grateful. Tell them that we stand behind them. Tell them that we're proud of our proudest. God bless you both, God bless you all.

Thank you.

Note: The President spoke at 9:34 p.m. at the Marine Barracks in Washington, D.C.

Prior to his remarks, the President attended a reception for General Barrow at the Commandant's quarters.

Statement by Deputy Press Secretary Speakes on the President's Trip to Indonesia, Japan, and the Republic of Korea June 27, 1983

The President will travel to the Asia-Pacific area in early November in response to invitations from Indonesia, Japan, and Korea. The dates for each stop will be announced later.

The President wants to reaffirm the importance we attach to the Asia-Pacific region. The United States is a Pacific nation, and our interests in this part of the world have grown rapidly over the last decade. In the face of common challenges, our political and security arrangements in the area have

taken on increased importance. The nations of Asia and the Pacific, particularly those which he will be visiting, have a very large role in the increasingly interdependent international economic system. As a result, we share a wide and growing range of interests with these countries.

Note: Deputy Press Secretary Larry M. Speakes made the statement to reporters assembled in his office at the White House for a briefing, which began at 9:19 a.m.

Message to the Congress Transmitting the Annual Report of the Council on Environmental Quality

June 27, 1983

To the Congress of the United States:

I am pleased to transmit to the Congress the Thirteenth Annual Report of the Council on Environmental Quality.

I hope that those who read this report will recognize the progress that this country continues to make in its long-standing commitment to a clean and healthy environment for all our people.

Americans have long recognized that this nation has been blessed with abundant natural resources and a clean and healthy environment. Beginning with the early pioneers and continuing today, Americans consider clean air and water, fruitful farmlands, beautiful mountains and rivers, and plentiful energy and mineral resources to be treasured parts of their national heritage. As President and as an American citizen, I am deeply concerned that present and future generations be protected from the adverse health effects of toxic chemicals and hazardous wastes, that their water be fit to drink, their air fit to breathe, and that their natural resources be protected. As we strive for economic progress and the promise of a better life, we recognize that a clean and healthy environment is a vital part of that promise.

To ensure our natural resource heritage, the United States has enacted the most far-reaching and comprehensive environmental and natural resource legislation of any nation in history. Our laws protecting air and water quality are used as models by other countries, because they have worked. Air quality in the United States today, especially in our cities, is much better than it was ten years ago. Streams, rivers, and lakes all across the country are becoming cleaner. The United States has passed legislation to control the manufacture, storage, transportation, and disposal of hazardous substances. We recently created a nationwide fund of over a billion and a half dollars to clean up abandoned chemical dump sites. We have

enacted a program to evaluate new and existing chemicals. In 1981, private businesses and government spent over 60 billion dollars in order to comply with U.S. environmental laws.

No other nation has set aside as many acres of parks, wilderness and wildlife refuge areas, or as many miles of scenic rivers and natural trails, for the enjoyment of present and future generations. Our national park system has grown to 77 million acres, and almost 7,000 miles of river are included in our national wild and scenic rivers system.

As President, I am committed to continue this record of achievement. As we learn more and more about the causes and alternative solutions to environmental problems, we are learning how to solve them. We are applying the economic and technical lessons we have learned during the past decade in order to continue our environmental improvement into the future.

During the past two years we have worked to manage our natural resources more efficiently. We have increased state government involvement in programs ranging from water allocation to new source permit processing. We have reduced federal subsidies for economic development which contributed to environmental degradation. We have expanded innovative programs which allow industry the regulatory flexibility and economic incentives to clean up pollution. We have increased research to determine the causes and effects of acid rain, which was not a widespread public concern ten years ago.

We can be very proud of our environmental achievements. As we address the pressing environmental issues now confronting us, we will continue to move toward our common national goals: the preservation of scenic beauty, the protection of wilderness areas and parklands, and a future that is both economically prosper-

ous and environmentally safe.

RONALD REAGAN

The White House,
June 27, 1983.

Note: The report is entitled "Environmental Quality, 1982—13th Annual Report of the Council on Environmental Quality" (Government Printing Office, 330 pages).

Appointment of R. Joe Hershey as the United States Commissioner of the Canadian River Commission

June 27, 1983

The President today announced his intention to appoint R. Joe Hershey to be the United States Commissioner on the Canadian River Commission. He would succeed James A. Bradley.

Mr. Hershey has operated a 640-acre family farm since December 1973 and also serves as Dallam County chairman of the Texas Wheat Growers Association. Previously Mr. Hershey was a sales coordinator in Oklahoma for Taylor Evans Seed Co. (1968–1973); general manager of Darrouzett Co-

operative Association, a farmer-owned grain marketing cooperative (1962–1967); county agricultural agent, Lipscomb County, Tex., for Texas Agricultural Extension Service (1956–1962); and assistant county agricultural agent, Taylor County (1955–1956).

Mr. Hershey graduated from Texas A. & M. College (B.S., 1955). He is married, has three children, and resides in Texline, Tex. He was born May 29, 1933, in Hereford, Tex.

Appointment of Rex Stewart Hime as the Nonvoting United States Representative on the Governing Board of the Tahoe Regional Planning Agency

June 27, 1983

The President today announced his intention to appoint Rex Stewart Hime to be the Nonvoting Representative of the United States to the Governing Board of the Tahoe Regional Planning Agency. He would succeed Zane G. Smith.

Mr. Hime is currently director of the Commission for Economic Development and served as deputy director of the Commission (1979). Previously he was assistant executive director, Painting and Decorating

Contractors of California, Inc. (1975–1978); assistant to the director, Department of Consumer Affairs (1973–1974); and was a first lieutenant, United States Army, Military Police Corps (1972–1974).

Mr. Hime graduated from the University of California, Davis (B.A., 1969; J.D.D., 1972). He is married and lives in Sacramento, Calif. He was born February 15, 1948, in San Francisco, Calif.

Statement on Signing the Lebanon Emergency Assistance Act of 1983

June 27, 1983

I am pleased to sign into law S. 639, the Lebanon Emergency Assistance Act of 1983. This act authorizes the appropriation of urgently needed economic and military assistance for Lebanon. The funding authorized by this act will greatly assist in promoting the economic and political stability of that country and support the international effort to strengthen a sovereign and independent Lebanon.

Section 4(a) of the act confirms this administration's announced intention with respect to congressional authorization concerning any future substantial expansion in the number or role of U.S. forces in Leba-

non. As indicated in its legislative history, that section does not prevent the initiation of such actions, if circumstances require it, while Congress is considering a request for statutory authorization; nor, of course, is it intended to infringe upon the constitutional authority of the President as Commander in Chief, particularly with respect to contingencies not expected in the context of the multinational effort to strengthen the sovereignty and independence of Lebanon.

Note: As enacted, S. 639 is Public Law 98-43, approved June 27.

Executive Order 12427—President's Advisory Council on Private Sector Initiatives

June 27, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to establish, in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), an advisory committee on private sector initiatives, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the President's Advisory Council on Private Sector Initiatives. The Council shall be composed of not more than 39 members, to be appointed or designated by the President. The members shall be selected as follows:

(1) Nine members from the public sector, consisting of the Secretaries of Agriculture, Commerce, Housing and Urban Development, Health and Human Services, Labor, Education, and Transportation, the Director of ACTION, and the White House Deputy Chief of Staff.

(2) Thirty members from private life.

(b) The President shall designate a Chairman and Vice Chairman from among the

members of the Council. The Special Assistant to the President for Private Sector Initiatives shall serve as Secretary to the Council.

Sec. 2. Functions. (a) The Council shall advise the President, through the White House Office of Private Sector Initiatives, with respect to the objectives and conduct of private sector initiative policies, including methods of increasing public awareness of the importance of public/private partnerships; removing barriers to development of effective social service programs which are administered by private organizations; and strengthening the professional resources of the private social service sector.

(b) The Council shall seek the advice, ideas and recommendations of the White House Office of Private Sector Initiatives and such other government offices as the President may deem appropriate in order to fulfill its responsibilities under this Order.

(c) In performance of its advisory respon-

sibilities, the Council shall report to the President from time to time as requested.

Sec. 3. Administration. (a) The heads of Executive agencies shall, to the extent permitted by law, provide the Council such information with respect to private sector initiative issues as it may require for purposes of carrying out its functions.

(b) Members of the Council shall serve without compensation for their work on the Council. However, members appointed from among private citizens of the United States shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service (5 U.S.C. 5701-5707).

(c) The White House Office shall, to the extent permitted by law and subject to the

availability of funds, provide the Council with such administrative services, facilities, staff, and other support services as may be necessary for the effective performance of its functions.

Sec. 4. General. The Council shall terminate two years from the date of this Order, unless sooner extended.

RONALD REAGAN

The White House,
June 27, 1983.

[Filed with the Office of the Federal Register, 2:42 p.m., June 28, 1983]

Note: The text of the Executive order was released by the Office of the Press Secretary on June 28.

Appointment of 28 Members of the President's Advisory Council on Private Sector Initiatives

June 28, 1983

The President today announced his intention to appoint the following individuals to be members of the President's Advisory Council on Private Sector Initiatives:

Paul J. Adams is principal at Providence-St. Mel High School in Chicago, Ill.

Ann Ascher is president of Ann Ascher Interiors, Inc., in Los Angeles, Calif.

Malcolm Baldrige is Secretary of the Department of Commerce in Washington, D.C.

George Ball is president and chief executive officer of Prudential-Bache Securities in Short Hills, N.J.

Terrel H. Bell is Secretary of the Department of Education in Washington, D.C.

John R. Block is Secretary of the Department of Agriculture in Washington, D.C.

Edmund T. Cranch is president of Worcester Polytech Institute in Worcester, Mass.

Michael K. Deaver is Deputy Chief of Staff to the President in Washington, D.C.

Elizabeth Dole is Secretary of the Department of Transportation in Washington, D.C.

Raymond Donovan is Secretary of the Department of Labor in Washington, D.C.

John "Jock" Elliott is chairman emeritus of

Ogilvy & Mather in New York, N.Y.

Thomas W. Evans is a partner in the law firm of Mudge, Rose, Guthrie, Alexander & Ferdon in New York, N.Y.

Margaret M. Heckler is Secretary of the Department of Health and Human Services in Washington, D.C.

John Cardinal Krol is Archbishop of Philadelphia, Pa.

Fred Malek is executive vice president of the Marriott Corp. in McLean, Va.

John McClaughry is president of the Institute for Liberty and Community in Concord, Vt.

Joyce Miller is vice president and director of social services for the Amalgamated Clothing and Textile Workers Union in Guttenberg, N.J.

Robert W. Miller is president of Freedoms Foundation in Valley Forge, Pa.

Robert Mosbacher, Jr., is vice president of Mosbacher Production Co. in Houston, Tex.

Donald E. Nordlund is chairman and chief executive officer of A. E. Staley Manufacturing Co. in Decatur, Ill.

Thomas W. Pauken is Director of ACTION in Washington, D.C.

Samuel R. Pierce, Jr., is Secretary of the Depart-

ment of Housing and Urban Development in Washington, D.C.

John V. Roach is chairman and chief executive officer of Tandy Corp. in Fort Worth, Tex.

Donald F. Sammis is chairman of the board of the Foundation for Private Sector Innovation in Rancho Santa Fe, Calif.

Alexander Trowbridge is president of the National Association of Manufacturers in Washington,

D.C.

C. William Verity, Jr., is chairman of the executive committee of Armco, Inc., in Middletown, Ohio.

Dr. Sheldon Weinig is president of Material Research Corp. in Orangeburg, N.Y.

Robert Woodson is president of the National Center for Neighborhood Enterprise in Washington, D.C.

Message to the Congress Transmitting the United States-Belgium Agreement on Social Security

June 28, 1983

To the Congress of the United States:

Pursuant to section 233(e)(1) of the Social Security Act as amended by the Social Security Amendments of 1977 (P.L. 95-216, 42 U.S.C. 433(e)(1)), I transmit herewith the Agreement between the United States of America and Belgium on Social Security and the Final Protocol to the Agreement, both signed on February 19, 1982, and the Administrative Agreement for the Implementation of the Agreement and Additional Protocol, both signed on November 23, 1982.

These United States-Belgium agreements are similar in objective to the social security agreements already in force with Italy, the Federal Republic of Germany, and Switzerland. Such bilateral agreements, which are generally known as totalization agreements, provide for limited coordination between the United States and foreign social security

systems to overcome the problems of gaps in protection and of dual coverage and taxation for workers who move from one country to the other.

I also transmit for the information of the Congress a comprehensive report prepared by the Department of Health and Human Services, which explains the provisions of the Agreements and provides data on the number of persons affected by the Agreements and the effect on social security financing as required by the same provision of the Social Security Act.

The Department of State and the Department of Health and Human Services join with me in commending the United States-Belgium Social Security Agreement and related documents.

RONALD REAGAN

The White House,
June 28, 1983.

Message to the Congress Transmitting the Annual Report of the Railroad Retirement Board

June 28, 1983

To the Congress of the United States:

I hereby submit to the Congress the Annual Report of the Railroad Retirement Board for fiscal year 1982, pursuant to the provisions of Section 7(b)(6) of the Railroad Retirement Act, enacted October 16, 1974,

and Section 12(l) of the Railroad Unemployment Insurance Act, enacted June 25, 1938.

The Railroad Retirement Board informs me that despite major changes in railroad retirement negotiated by rail labor and management and enacted in the Omnibus

Budget Reconciliation Act of 1981, the railroad retirement system faces a serious funding shortfall. In addition, the continuing decline of railroad employment has left the railroad unemployment and sickness system deeply in debt. Prompt legislative action is needed to resolve the serious financial prob-

lems facing these systems and assure continued payment of benefits.

RONALD REAGAN

The White House,
June 28, 1983.

Remarks at a White House Luncheon for Members of the President's Advisory Council on Private Sector Initiatives *June 28, 1983*

First of all, thank you all for being here. I'm very pleased to welcome to the White House the members of the new Advisory Council on Private Sector Initiatives—the members of the Cabinet who'll be serving on the Council; Bob Galvin, our new Chairman; Vice Chairman Gloria Toote; Bill Verity, who chaired our earlier Task Force on Private Sector Initiatives; and—you can see that I have also thought of your moral welfare—the appointment of Cardinal Krol to this group. [*Laughter*]

I haven't seen so much talent gathered together here at the White House since the Beach Boys were here. [*Laughter*] But I'll tell you, we're here today to talk about a popular revolution that is going to rival rock and roll when we all look back on it.

Private sector initiatives are as basic as the American traditions of neighbor helping neighbor, as selfless as are millions of volunteers and as simple as a helping hand. But these private actions are part of a national movement that is sweeping across the country like a prairie fire. The American people have developed a new way of thinking about how to solve social and economic problems.

Maybe I should say they have rediscovered an old way. We sort of got weaned away from what used to be traditional Americanism by government saying, "We'll do it." And the people have found out again about what they used to do.

I had a letter from a man one day, very discouraged, a businessman, business troubles and all, and it wasn't too long ago. And I wrote him a three-page letter that I

hoped was the kind of talk Rockne gave Notre Dame—[*laughter*—about "win one for the Gipper." But he was saying—it finally ended up with this tragic line to me: "If I knew of a country anyplace in the world that was like America was a hundred years ago, I'd go there." And I tried to tell him about people like yourselves and that we're going to be like we were a hundred years ago.

Today you can go to about any community and discover private individuals that are creatively solving public problems. I wish you could have been to all the places that I've already been and seen the remarkable public-spirited things that I've already witnessed. And I also hear countless stories of people whom I'll never be able to meet who have taken the initiative to find private solutions to public problems. I could give you examples all afternoon of the efforts that are already being made.

In Harris County, Texas, Dr. Joel Reed and the Harris County Medical Society have developed a system whereby computers schedule indigent families into time slots that doctors donate.

The McDonald's Corporation, already known for its Ronald McDonald Houses, has now launched a major child safety belt campaign in cooperation with the National Safety Council. And I hope they're just as successful with the safety program as they are with the hamburgers.

In New York the Private Industry Council and American Express have found a new way to put homebound handicapped people to work. American Express has given word-

processing equipment to handicapped employees who are now able to work in their homes. A whole new market of productive workers has been opened up.

Again, I refer to some of those letters I get, and they range across the spectrum—age-wise, occupation-wise, everything else. I have a letter on my desk that a little girl in fifth grade wrote. And it must be a good school like yours, Paul, because it's very well written and correctly punctuated and not a word misspelled. But with the letter came \$187 that this fifth grade class had raised and sent in to be applied to the national debt. When I was in fifth grade, I'm not sure that I knew what a national debt was. *[Laughter]* Of course, when I was in fifth grade, we didn't have one. *[Laughter]*

There are examples of food banks and job-a-thons and elderly care and any number of good causes. And everywhere I travel, people are forming new coalitions to explore ways for their communities to meet child care needs, help displaced workers find new jobs, and address important community problems like drug and alcohol abuse. Everywhere you look people are developing creative solutions to our local needs.

And here, because it's such an important issue, let me mention there are many, many ways the private sector could help the Nation out on its educational problems.

Throughout the country, businesses are adopting schools and new educational partnerships are forming. Private citizens and parents are getting involved in schools, and I hope that you'll take a special look at what we can do here.

Neighbor helping neighbor is an American tradition, but let me tell you something: The secret's getting out. Not long ago I was down in Williamsburg—you may have read about it; it was in all the papers. And I just learned that at the Williamsburg summit the Japanese heard about our private sector initiatives. They've asked for information, and they're studying its possibilities. And if the Japanese are interested, we must really be on to something. *[Laughter]*

As members of the new Advisory Council on Private Sector Initiatives, I'm asking you to contribute your energy to a national movement that's already energized. All

over the country people are finding new solutions for the problems they see in their communities, but they can use your help too. We want to activate even more of that energy in our people. We need your help in multiplying the applications of all the good private sector ideas and projects that abound in the country.

We want the individual or company who seeks to do something about displaced workers, for example, to know there are successful programs that have worked in other communities. Bob Galvin and Jim Coyne have some proposals on how we can achieve all these ends.

We want the person with a good idea about how to help with social and economic problems to know that he or she can make a difference. We need each of you to help us find ways to build the networks, develop the partnerships, and find the resources to make seemingly small ideas become national solutions to broad problems. And this is a call to action. We need your help. The Nation needs your help to ensure that our communities, our volunteers, our service organizations and corporations are active participants in solving our critical problems.

I believe in what Americans are doing for other Americans, and I believe in what you, on this Council, can do. I have to mention when this idea came for a private initiative task force, to begin with, to find out what could be done—I—it's a wonderful thing. We've got some private initiative people that man the telephone switchboards in the White House. I picked up the phone and said, "Get me Bill Verity." And when I got him, I got him in the middle of the Atlantic Ocean, on a ship coming home from Europe. And I told him what I had in mind, and he didn't hesitate one second. And he was on board before he landed in America.

And the Task Force did find out—and a great deal of their effort was in finding out what is going on throughout the country. And now we've found out. In all these various communities—these things that are going on—but the need is to just tell others that are looking for solutions to problems in their own country.

And I could tell you that—Bill, I never told you this before, but one of the places

where this idea first had its origin, where I'm concerned, was in California. There were letters that my people knew I wanted to see, letters from people who had exhausted all the bureaucratic answers, and somehow their problem did not lend itself to solution by government. And I wanted to see those. And so they were delivered to me. And I picked up the phone a few times, and I called several people throughout the State of California that I knew personally. And I told them about cases like this. And I said, "If I gave you a call"—knowing they could afford it—I said, "about one of these things, would you be interested in helping someone like this?" And to a man and woman they volunteered.

And so, I used to pick up the phone, and one of them was the case of an unemployed man. And he's now the manager of a chain of restaurants in California, because the ex-actor that was owner of those restaurants put him to work. And that's what it came to be.

There was another one—I got a followup letter from a widow and her small son who—the only kid in his class without a

bicycle and so forth—and trying to get along on welfare. And I called another fellow. And I got a call later on, and she said, "The Santa Claus that personally came to my door and delivered the bicycle and many other things"—she said, "I didn't recognize him." But she said, "Later in one of the cartons, I found a sales slip made out to a Mr. Sinatra. Could it have been?" And I wrote back and says, "Yep, it was."

But the idea lived with me until here and this original task force and, now, all of you. And I think you're going to get as much as you give out of what takes place throughout this country. You're going to find that America is off on a course that you, I think, will more have to fight them off than to rope them in to doing the things that have to be done.

And I just want to thank you all again from the bottom of my heart. And I know in this room are so many examples of people who have already been doing things like this. God bless you all.

Thank you.

Note: The President spoke at 1 p.m. in the State Dining Room at the White House.

Executive Order 12428—President's Commission on Industrial Competitiveness

June 28, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to establish, in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), an advisory committee on industrial competitiveness, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the President's Commission on Industrial Competitiveness. The Commission shall be composed of no more than twenty-five members appointed or designated by the President. These members shall have particular knowledge and expertise concerning the technological factors affecting the ability of United States firms to meet

international competition at home and abroad. Members appointed from the private sector shall represent elements of industry, commerce, and labor most affected by high technology, or academic institutions prominent in the field of high technology.

(b) The President shall designate a Chairman from among the members of the Commission.

Sec. 2. Functions. The Commission shall review means of increasing the long-term competitiveness of United States industries at home and abroad, with particular emphasis on high technology, and provide appropriate advice to the President, through the Cabinet Council on Commerce and Trade, and the Department of Commerce.

Sec. 3. Administration. (a) The heads of Executive agencies shall, to the extent permitted by law, provide the Commission such information as it may require for purposes of carrying out its functions.

(b) Members of the Commission shall serve without compensation for their work on the Commission. However, members appointed from among private citizens of the United States may be allowed travel expenses, including per diem in lieu of subsistence, to the extent permitted by law and to the extent funds are available therefor.

(c) The Secretary of Commerce shall, to the extent permitted by law and subject to the availability of funds, provide the Commission with such administrative services, facilities, staff and other support services as may be necessary for the effective performance of its functions.

Sec. 4. General. (a) Notwithstanding any other Executive Order, the functions of the President under the Federal Advisory Committee Act, as amended, except that of reporting to the Congress, which are applicable to the Commission, shall be performed by the Secretary of Commerce, in accordance with guidelines and procedures established by the Administrator of General Services.

(b) The Commission shall terminate on September 30, 1984, unless sooner extended.

RONALD REAGAN

The White House,
June 28, 1983.

[Filed with the Office of the Federal Register, 10:27 a.m., June 29, 1983]

Appointment of John A. Young as a Member of the President's Commission on Industrial Competitiveness, and Designation as Chairman

June 28, 1983

The President today announced his intention to appoint John A. Young to be a member of the President's Commission on Industrial Competitiveness. Upon appointment, the President also intends to designate Mr. Young as Chairman.

Mr. Young has been with Hewlett-Packard since 1958, serving as microwave division general manager (1963-1968); vice president (1968-1974); executive vice president (1974-1977); and president and chief operating officer (since 1977). He was elected to the company's board of directors and executive committee in 1974 and was elected chief executive officer in 1978. Addition-

ally, he is a director of the Wells Fargo Bank, Wells Fargo & Co., and SRI International. He is cochairman of the Western Technical Manpower Council, a member of the Business Council, the Business Roundtable, the executive committee of Machinery and Allied Products Institute (MAPI), and a member of the National Industrial Advisory Council of the Opportunities Industrialization Center (OIC).

Mr. Young graduated from Oregon State University (B.S., 1953) and Stanford University (M.B.A., 1958). He resides in Portola, Calif., and was born April 24, 1932, in Nampa, Idaho.

Appointment of Jonathan T. Isham as a Member of the Commission on Presidential Scholars

June 28, 1983

The President today announced his intention to appoint Jonathan T. Isham to be a member of the Commission on Presidential Scholars.

Mr. Isham is a self-employed consultant and also serves as director of the Newport County Chamber of Commerce (since 1979); director of Save the Bay (since 1979);

treasurer of the Newport County Certified Development Corp. (since 1981); and director of the Newport Music Festival.

Mr. Isham graduated from Yale University (B.A., 1951). He is married, has three children, and resides in Newport, R.I. He was born February 24, 1929, in New York, N.Y.

Reappointment of Seven Members of the President's Committee on Mental Retardation

June 28, 1983

The President today announced his intention to reappoint the following individuals to be members of the President's Committee on Mental Retardation for terms expiring May 11, 1986:

Thomas J. Farrell is a chartered life underwriter for Thomas J. Farrell and Associates in Santa Rosa, Calif. He was born June 10, 1926.

Elsie D. Helsel is professor emeritus of the Center for Human Development, Convocation Center, Ohio University, in Athens, Ohio. She was born July 10, 1915.

Richard J. Kogan is executive vice president of Schering-Plough Corp. in Summit, N.J. He was born June 6, 1941.

Donna Beth Macy is currently director, development disabilities, State Department of Health, in Lincoln, Nebr. She was born February 26, 1947.

Frederick J. Rose is a retired businessman and rancher and resides in Ocean Ridge, Fla. He was born January 2, 1929.

Marguerite Timlin Shine was involved in the field of social work for 12 years, including work for the Department of Public Welfare in Washington, D.C. She resides in San Francisco, Calif., and was born April 13, 1929.

Vincent C. Gray is executive director of the D.C. Association for Retarded Citizens. He was born November 8, 1942.

The President's News Conference

June 28, 1983

The President. Good evening. Sit down. I have a statement.

The Nation's Economy

Nearly a year ago tonight I told the American people that we were making headway against the crisis we inherited—double-digit inflation, record interest rates, and soaring taxes were all coming down. Well, tonight we can be pleased that our

economy is strong and getting stronger. We still have a long way to go, but good news on personal income, real earnings, factory orders, industrial production, housing starts, auto and retail sales are solid signs of hope.

And I have one other important piece of good news. I'm pleased to announce tonight that we are revising upward our projection of this year's economic growth from 4.7 to 5½ percent. America's economy is begin-

ning to sparkle.

Sustaining strong growth and keeping inflation and interest rates down require bipartisan cooperation from the Congress. We must understand that undisciplined spending and tax increases threaten the recovery. By trying to increase taxes permanently with their tax cap, liberals in the Congress have renounced John F. Kennedy's criteria for growth and opportunity—meaningful tax rate reductions for every working American. Their tax cap must not and will not become law, because fairness is not slapping tax increases on 2.4 million small businesses, 350,000 family farms, and millions of middle-income married couples who file joint returns.

Fairness is not appealing to envy, pitting group against group. And fairness is not penalizing the initiative, hard work, savings, risk-taking, and investment that we need to create more jobs. True fairness means honoring our word. It means encouraging and rewarding every citizen who strives to excel and help make America great again. So, in 3 days the American people will begin receiving the full and final 10 percent of their tax cut. This will be followed by indexing in 1985. A typical family's tax bill will be about \$700 less than if our tax cut had not been passed.

Our challenge is to protect and strengthen this hard won recovery, and that means preventing inflation and interest rates from flaring up again. For the good of the country, I appeal to the Congress to work with us, to refrain from raising taxes. Concentrate on restraining spending, and we'll keep America moving forward with hope and greater opportunity for all our people.

And now I imagine you have a few things on your mind that you'd like to talk about. Jim [James R. Gerstenzang, Associated Press]?

Carter Campaign Materials

Q. Mr. President, regarding the Carter debate material that was obtained by your 1980 campaign organization, do you think it was right or wrong to keep this material, to use it to your advantage? And also, do you think it's okay to keep someone on your staff who did, indeed, handle this material?

The President. Well now, Jim, to try and

answer your several questions there, first of all, I never knew until you people made it public in the press a few days ago that there ever had been such material in possession of any people in our campaign organization. I never saw anything of the kind.

And as I recall the debate, I don't recall any particular use that could have been made of anything of that kind, because having found the papers they must have been referring to, that some of our people do recall seeing, there wasn't anything of campaign strategy in those. They were the type of thing that would be, I think, in any campaign: positions that they would take on my positions, their achievements and what they thought their administration had achieved. We probably had literature of the same kind on our side. But everything that was used in that debate had been used over and over again out on the campaign trail.

And I'd like to call to your attention also that the two contestants do not set the tone of the debate or the agenda. The four journalists that ask the questions are the ones that determine what you're going to talk about. And unless they had some material in advance, we answered the questions that they asked.

Now, the other thing is that in an effort to get at this, you ask about right or wrong. We have turned over everything that we've been able to find that we had to the Justice Department. And here, as you all, I think, have seen—or are going to see if you haven't—almost two full pages, is everything that we could find, with the time at which it was turned over to the Justice Department, with my request that they monitor this very carefully, and if they find that there was any incidence of wrongdoing on the part of anyone in our organization or anyone in the Carter organization, then take whatever action is appropriate, but to get to the bottom of this. Because no one ever—it seems strange to me that since I was the debater, no one on our side ever mentioned to me anything of this kind, or that they had anything or told me any of the things that supposedly were in there.

As a matter of fact, some of the things that were said there were all my own. [Laughter]

Q. Was it right to have this material back then at that time, or should your people have followed the example that is known about in another case, where this material came into someone's possession and was returned unopened—"We don't want it, send it back"? Should that have been the way this was handled? Or was it proper to look at this material, even, having received it?

The President. Well, I don't know that it came in any kind of a cover or anything to denote what it was. As I've said, we've asked the Justice Department to find out if there was anything improper going on or anything that was illegal in any way or any wrongdoing and take whatever action is necessary. But since it never got to the debater, what purpose did it serve?

Helen [Helen Thomas, United Press International]?

Central America

Q. Mr. President, Jim Wright said at the White House today that there are some in Congress who don't believe that this administration wants peace in Central America. And your aides acknowledge that the polls supporting your Central American policy have gone down and the people seem to be moving away from that. And I have a followup. But how do you account for this?

The President. Well, Helen, I think there's a great lack of information on the part of the people. I do know that after I addressed the Joint Session of Congress and the people on television on that subject, there was a decided shift in favor of our position. But then—I guess that proves the power of advertising—there has been a constant drumbeat ever since. I made one speech, but then the drumbeat ever since to the people is somehow denigrating our position there and indicating that there's something wrong in that position.

And maybe we haven't done what we should have done in keeping the people informed of what is going on, because there—very definitely, there are thousands of Soviets and Cubans—well, Soviets in Cuba. There is a great number of them also in Nicaragua. There are thousands of Cubans, including one of their top generals, most experienced generals, in Nicaragua.

Several Congressmen have just come

back from there and have told me that in speaking to people on the sides that we're against, high-ranking people, that they have told them that this is a revolution—not just for one country—this is a revolution that is aimed at all of Central America. And I think some of you should seek out those Congressmen and hear some of the things that they had to say, because what they heard from these people—one individual even suggesting that in a limited period of time they would be at the Arizona-Mexican border.

I think the United States has a stake in what is going on there, and I think we've got to do a better job of letting the people know what is at stake.

Q. Mr. President, what is it that prevents your administration from talking to Castro, to the Sandinistas, to the representatives of the rebels in El Salvador, I mean, to at least explore negotiations? And, I mean, would it really harm the Salvadoran Government if you made that approach?

The President. That is a little bit not our business either. The Salvadorans have appointed a peace commission that is trying to make contact—well, maybe has made contact—but trying to persuade the revolutionaries, the Marxists in their country to come in and discuss with them how they can accept amnesty and join in the electoral democratic process that will be taking place soon. And so far they've had nothing but turn-downs.

On the other side in Nicaragua, it is simply reversed. It is the democratic revolutionaries who were ousted once the revolution was successful while the Marxists took over and created their totalitarian form of government. And all they want, all they're fighting for is to return to the principles of the revolution that overthrew Somoza—free elections, human rights, free press, all of those things.

It isn't a case of us not wanting to talk. Early on in my administration we made contact with Mr. Castro. Nothing came of it, and we haven't had much success since.

Godfrey [Godfrey Sperling, Jr., Christian Science Monitor]?

Carter Campaign Materials

Q. Mr. President, I'd like to try that right-and-wrong question once again just to see how you evaluate this. Do you see these questions about the Carter briefing book as important, really important, and possessing ethical implications, or do you see this merely as a highly political effort by the Democrats, one that you find you must address simply because it has political implications? And I have a followup.

The President. Godfrey, how could you think that there was anything political in this?

Q. [Inaudible]

The President. I happen to agree with House Speaker Tip O'Neill—[laughter]—who said today that he didn't think the debate would have turned out any differently one way or the other. And he thought the thing ought to go away, and he didn't think there ought to be a congressional investigation of it. I found he was speaking with words of profound wisdom. [Laughter]

Andrea [Andrea Mitchell, NBC News]?

Q. Just as a matter of curiosity, a follow-up, have you called Mr. Casey in and asked him what he may know about all this, if anything?

The President. We've all talked about this. And we evidently had a stack of papers that has gone over to the Justice Department, that are available for anyone, that were passed—and anyone here who's been around a campaign knows the reams of paper, the reams of proposals and plans that come in to you and that were passed over. And I can understand his very well not having paid any attention. He wasn't going to wade through a stack of papers. They didn't come in a binder or a cover or anything.

And, as I say, evidently, the book that is now being peddled to many of you is not what was in our possession. No one that we've talked to that has said that they saw these papers at one time or other—none of them say they ever saw that book that is the strategy book.

Andrea?

Q. Mr. President, but what was in the possession of former campaign officials who now work in this administration was over

500 pages of various materials, including some that were clearly strategic, some that gave very specific information. One memo came from some Carter staff members who were brainstorming about the debate. And I get back to the question of what you think about the ethics. Your press spokesman has said that this is nothing new in politics. Would you condone this? Do you condone this in the campaign that you ran? And would you condone it in a future campaign that you might run?

The President. No. And it's never been characteristic of any campaigns that I've been in. And, again, I repeat: I had never heard anything about this until you all started talking about it. And obviously it was never passed to me for any use in a campaign.

But the thing is that I want the Justice Department to determine—I know many have carelessly used a term that did someone "steal" something from the White House. I'd suggest that anyone that would try that is pretty foolish. But I think it should be determined—was there a disgruntled worker in the Carter campaign who did something of that kind—but find out who did what, and if it was improper or illegal, then take action.

Q. But, sir, just to follow up—even if it—

The President. Everybody's following up. [Laughter]

Q. Even if it was not illegal, how do you feel about the ethics of it? And how do you feel about the fact that of all the participants, your CIA Director is the only one who has absolutely no recollection? Yet, he was the man in charge. He was the campaign manager.

The President. Which is why he'd be the fellow that would pass it on as quickly as he got it. I do that with some papers sometimes too now that I don't look, but I know that they could be handled by someone else.

Q. And the ethical question?

The President. What?

Q. The ethical question, sir?

The President. The ethical question? I think that campaigning has always, in the eyes of the people, had a kind of a double

standard, and I have deplored it. And that is that people have said—people that are otherwise totally honest—have said, when they hear about something, they've said: "Oh, well, you know, politics." Well, I don't happen to believe politics should have a double standard. No. I think it should be above reproach. And there shouldn't be unethical things done in campaigns, even such things as accusing the other candidate of being a racist, and things like that.

Q. Well, sir, if there shouldn't be a double standard, your Chief of Staff, Mr. Baker, says he had this material and knew it was obtained from the Carter camp. He doesn't know how. Mr. Stockman, who helped prepare you for the debate, said he used the material and found it useful. Do you intend to reprimand them, or in some other way correct them?

The President. No. The stuff they had, again, was not what is in this final book. It was not campaign strategy. And most of everything that I've heard that they've found in those papers are the positions that were already public in the campaign. They were the kind of things that I had, where staff would tell me, "Here are the—here is what—here's a list of the things you accomplished as Governor. Here are the things that you should be talking about." And it was this type of thing.

And I think what Dave Stockman meant—although he can speak for himself—is that Dave meant that since he was going to play President Carter, in practicing in front of a panel of questioners, that it saved him having to go out and dig up what were all of the accomplishments of the Carter administration.

Q. Well, sir, if I may, does it matter if it was stolen, whether it was sensitive or not?

The President. Is it stolen if someone hands it to you, some disgruntled individual hands to another counterpart in a campaign organization? We don't know how it was obtained.

Q. Is it—

The President. That's too bad, then, because—

Q. —sir, the question you just asked, what is your answer to that?

The President. What?

Q. Sir, you just asked a question. What is

your answer to that?

The President. What is my answer to this?

Q. If it is.

The President. Well, my answer is that it probably wasn't too much different from the press rushing into print with the Pentagon Papers, which were stolen. And they were classified. And it was against the law. Now, I want the Justice Department to find out if anybody did anything that broke the law.

Fiscal Year 1984 Budget

Q. Mr. President, your opening statement obviously reflected concern about Congress going in the wrong direction on spending, on taxes. And, although you didn't say so, I imagine you're also concerned about the level of defense appropriations. My question, sir, is: Do you see this coming, as the year progresses, to a confrontation; or do you, rather, see yourself sitting down with the leaders of Congress and coming to some kind of compromise on these key issues?

The President. On—now, wait a minute—and maybe I lost track a little. I was trying to switch gears here from the subject we've just been on. At the beginning there, you were talking about—

Q. I'm asking about the issues in the budget—

The President. In the budget, yes.

Q. —you made in your opening statement.

The President. Yes.

Q. You raised two of them. The—

The President. Yes, the taxing and the spending cuts.

Q. —Democrats' propensity to raise taxes and the high spending. And I added, gratuitously perhaps, the defense issue, which you've expressed yourself on previously. Taking these three issues, do you see a confrontation down the road with Congress, or do you see some kind of accommodation or compromise?

The President. Well, the only confrontation would be if they succeed in passing appropriation bills that bust the budget, that are going to add to the deficit. And I would have the necessity of vetoing them. But I think we still have a coalition in the Congress that feels, as we do, that domestic

spending should be reduced and not increased, as it was in the budget resolution. And I think that this is vital. This is the course that we've been on.

You had a third leg there of defense. I think that some of you have been not quite accurate in your describing, when you say that I wanted 10 and they wanted 5, and I wouldn't compromise. We originally asked for 11½ and then found out ourselves—with the reduction of inflation and all and refiguring—that we could reduce that to 10. But then, we volunteered to meet them halfway and come down to 7½. And they're the ones refused. So, they have put in flatly, without any compromise, what they wanted when we had offered 7½. And you, all of you are not—or many of you, I should say, insist on saying that the difference was that we wanted 10. We had come down to 7½.

Q. Well, as an astute politician, would you guess this will be settled, or will it come to a clash?

The President. Well, I don't expect a clash, except there will, undoubtedly, if I have to veto, they'll try to override the vetoes, if you're going to call that a clash. I'm reasonably optimistic that if I'm judicious with vetoing these padded appropriation bills that there will be support for my vetoes.

Yes.

Central America

Q. Mr. President, you have said that you are not going to send any combat troops into Central America. But at the same time, you have said that El Salvador and the rest of the region are of vital national security and of crucial importance to our country. Isn't there, therefore, an inconsistency in those two statements. If you think it is of that much of an importance to our country, why do you say you will never send combat troops in?

The President. Well, Presidents never say "never." I've said that we have no plans to send combat troops nor are they needed or wanted. President Magaña here said, no, that he would not ask for them. He doesn't want them. And I don't think the other countries do. I think they want to create their own democracies and continue on the path they're on.

But they do, frankly, need our help in two areas. They need us to help them with training, to provide arms and munitions so that they can defend themselves while they're instituting these democratic programs. And they need our economic help. And so far our help has been 3 to 1—three-fourths of our help has been in the area of economic relief and only one-fourth military.

And those in the Congress who want to whittle this down to where it is a pittance—they don't say, "No, we won't give you anything—give you a few dollars here and a few dollars there." In my opinion, what they're doing is choosing between instant death and letting those countries bleed to death. And then they want to be able to blame somebody else because they passed a nickel instead of a dollar. And all that those countries want from us is this economic help and the help that we're giving them.

You know, it's a funny thing. There's 1,500 Cubans training in Nicaragua and there's 55 Americans in El Salvador, and all everyone seems to think is a sin is our 55.

Q. Mr. President, you say, though, that you'll never say never. You're not giving a pledge to the American people then that you will not send combat troops in, is that right?

The President. Well, you were asking a kind of a hypothetical question, so I gave a hypothetical answer. And it's an old saying that Presidents should never say never. You know, they blew up the *Maine*. But, no, I see no need for it. They've never been asked for, nor do we have any plans or intention of sending troops to those countries.

Gary [Gary F. Schuster, Detroit News]?

Fairness of Economic Policies

Q. Mr. President, even on the eve of this last phase of your tax cut that you mentioned earlier, the polls continue to show that between 60 and 70 percent of the people still consider you to be a rich man's President with no idea of what the people who aren't wealthy are going through out there and really are unfair to the poor. How does that make you feel? And what, if anything, can you do to change that percep-

tion? Are you doing any—you mentioned fairness in your opening statement about—I mean, your pollsters say it's your biggest problem. What do you do to change that?

The President. Well, Gary, I know this has been hung on me, and you asked how I felt: It's very frustrating. I was raised in poverty, and I remember very well what poverty is. And I remember what it was like in the Great Depression. That's one of the advantages of being my age. Now there are many of you here who have only read about it.

And suggesting this unfairness thing, first of all, what is more unfair to the low-income people than the double-digit inflation that we had for 2 years in a row before we got here? A person that was only getting \$5,000 a year in 1 year, he was only getting—he only had \$4,000 worth of purchasing power; 10,000, he had \$8,000 in purchasing power. The people were getting—I remember in California, we raised the Federal aid to children—the aid to children program, we raised it three times, the grants, and yet at the end the grants, had less purchasing power than they had before we had to start making the raises. That's one thing we've done.

The other thing, with all of the talk about budget cuts and so forth, if anyone will ever study what it is we've done in many of the social programs, yes, we have taken some 800,000 people off food stamps, because their incomes were about 150 percent or more of the poverty level. But we have 4 million more people getting food stamps, because we redirected more effort and \$3 million dollars more in spending on food stamps down to people that were below that level, at the poverty level or below.

The same is true in many of the things—the school lunch programs, the aid to college students, and so forth. We redirected it from people that we believed should have been able—had incomes that would have enabled them to not only help a child that they were sending to college, but they were in a market where they could afford to borrow. We redirected that down and increased what we were doing for the people that were in poverty.

Now, I only know from my own background—and someday let me give you my recipe for oatmeal meat. I thought it was a

luxury when I was a kid. I found out my mother was saving money on meat. I just—my feeling, and it's very deep within me is this: No, the rich don't need my help, and I'm not doing things to help the rich. I'm doing things that I think are fair to all of the people. But what I want to see above all is that this country remains a country where someone can always get rich. That's the thing that we have and that must be preserved.

Now, I don't know how much more I can do on this subject. I thought I had another line there for a minute that I was going to use, but maybe it's just as well that I don't use it.

Yes.

Carter Campaign Materials

Q. Back to the case of the Carter briefing papers. You said that you wanted the Justice Department to monitor this case. Does "monitor" mean that they're going to do their own investigation of it? And also, since these serious questions are being raised about people who now hold senior positions in your administration, do you think it would be appropriate to appoint a special prosecutor, rather than having your own Justice Department look into the matter?

The President. That would be up to the Attorney General, with regard to appointing a special investigator. But all of my people who had any knowledge at all of this have been told that they are available to the Justice Department. And I've told the Justice Department, they're all available for any of the questioning they want to do.

Q. Does this mean that the Justice Department is conducting an investigation?

The President. Yes, I've called it monitoring, but that's what it amounts to. I've said to find out if there was any wrongdoing and take action.

Yes.

Civil Rights

Q. Mr. President—

The President. Wait a minute. I'm going to look this way. [*Laughter*]

Q. —a group of your supporters, black Republicans, charge that your civil rights policies suffer from a lack of substance, not

communications, as you indicated here in the last press conference. They're urging action to appoint blacks to your administration, and they want the Assistant Attorney General for Civil Rights, William Bradford Reynolds, fired. What are you going to do to address the concerns of your own supporters?

The President. Well, I think if there are supporters of mine that are saying those things, then I don't think they are aware of what we are doing on that particular subject and what we have done.

Right now, for example, the Justice Department, school discrimination, is investigating one more case than at the same time in the Carter administration he was investigating. But at the same time, we also have investigations going in eight school districts in the country where we have suspicions of discrimination. We are also continuing cases that had been brought before we were here and that are still in litigation that the Justice Department is carrying on with.

I don't know where they can get anything that indicates that we're not—I know that that's the perception. That's a little bit like this other question here about a rich man's President. Someone starts creating that perception and keeps on saying it loud enough; pretty soon they get some people believing it. But there is no merit in that at all.

And the attack, for example, on my appointees to the Civil Rights Commission. Well, Dr. Abram represented Martin Luther King when he was arrested in Atlanta in the restaurant sit-in there. Bunzel, who was 8 years the president of San Jose State in California, has a record of 35 years in the civil rights field and in 1974 was cited by the San Francisco Board of Supervisors for his work in civil rights.

Q. Well, if I may follow up, would you call this a perception problem when a group of black Republicans met with your

people at the White House on May 31st to discuss these things?

The President. Well, they discussed them with a number of our appointees that are already there. Listen, I'm—I would like to—I would like to have and will make available to you all that we are doing and all that we have done, and maybe it'll straighten out some of the false perceptions.

But, no, there's some person—welcome back, Ann [Ann Compton, ABC News]. Glad to see you back.

Poland

Q. Thank you, sir. On Poland, do you think that at this point Lech Walesa ought to step back from the leadership role he has taken? And do you have any reason to believe that if he does step back from the limelight in the Solidarity leadership position that martial law in Poland would improve to the point where you could come through with the kind of relief for the Polish economy you mentioned last week?

The President. Ann, I wouldn't be able to answer that, because I know that the conversations between General Jaruzelski and His Holiness were private, and no one knows—and I know that also with the conversations with Lech Walesa. I don't know what that situation is. I only know what the Pope himself has stated, and that is that he has urged the Government of Poland to allow a free union that is not subject to government control. And if they did that, I think that we would review what we were doing and turn back from some of those things.

Ms. Thomas. Thank you, Mr. President.

The President. Oh, all those followups. A half hour's gone already? I'm sorry. All right.

Note: The President's 18th news conference began at 8:01 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television.

Executive Order 12429—President's Private Sector Survey on Cost Control in the Federal Government

June 28, 1983

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), and in order to extend the life of the President's Private Sector Survey on Cost Control in the Federal Government, it is hereby ordered that Section 4(b) of Executive Order No. 12369 of June 30, 1982, as amended, is further

amended to read: "The Committee shall terminate on October 30, 1983, unless sooner extended."

RONALD REAGAN

The White House,
June 28, 1983.

[Filed with the Office of the Federal Register, 11:29 a.m., June 29, 1983]

Proclamation 5071—Import Quotas on Certain Sugars, Sirups, Blends, and Mixtures

June 28, 1983

*By the President of the United States
of America*

A Proclamation

1. The Secretary of Agriculture has advised me that he has reason to believe that certain sugars, blended sirups, and sugars mixed with other ingredients, described below, and certain other sugars, sirups, and mixtures of sugar or sirup with other ingredients are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the price support operations being conducted by the Department of Agriculture for sugar cane and sugar beets.

2. I agree that there is reason for such belief by the Secretary of Agriculture, and therefore I am requesting the United States International Trade Commission to make an immediate investigation with respect to this matter pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended (7 U.S.C. 624), and report its findings and recommendations to me as soon as possible.

3. The Secretary of Agriculture has also determined and reported to me with regard to the sugars, blended sirups, and

sugars mixed with other ingredients, described below, that a condition exists which requires emergency treatment and that the import quotas hereinafter proclaimed should be imposed without awaiting the report and recommendations of the United States International Trade Commission.

4. On the basis of the information submitted to me, I find and declare that:

(a) The articles described below are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, the price support operations of the Department of Agriculture for sugar cane and sugar beets;

(b) The representative period within the meaning of the first proviso to subsection (b) of section 22 of the Agricultural Adjustment Act of 1933, as amended (7 U.S.C. 624), for imports of the articles described below is the years 1978–81, during which years there were no imports of the described articles; and

(c) The imposition of the import quotas hereinafter proclaimed, without awaiting the recommendations of the United States International Trade Commission with re-

spect to such action, is necessary in order that the entry, or withdrawal from warehouse for consumption, of the articles described below will not materially interfere with the price support operations being conducted by the Department of Agriculture for sugar cane or sugar beets.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by the authority vested in me by section 22 of

the Agricultural Adjustment Act of 1933, as amended, and the Constitution and Statutes of the United States, including Section 301 of Title 3 of the United States Code, do hereby proclaim as follows:

1. Part 3 of the Appendix to the Tariff Schedules of the United States is amended by inserting in numerical sequence the following two items:

Item	Articles	Quota Quantity
958.10	Blended sirups provided for in TSUS item 155.75, containing sugars derived from sugar cane or sugar beets, capable of being further processed or mixed with similar or other ingredients, and not prepared for marketing to the retail consumers in the identical form and package in which imported	None.
958.15	Articles containing over 65 percent by dry weight of sugars derived from sugar cane or sugar beets, whether or not mixed with other ingredients, capable of being further processed or mixed with similar or other ingredients, and not prepared for marketing to the retail consumers in the identical form and package in which imported; all the foregoing articles provided for in TSUS items 155.75, 156.45, 183.01, and 183.05, except articles within the scope of other import restrictions provided for in part 3 of the Appendix to the Tariff Schedules of the United States	None.

2. Pending Presidential action upon receipt of the report and recommendations of the United States International Trade Commission on this matter, the quotas established by this proclamation shall apply to articles entered, or withdrawn from warehouse for consumption, on or after the effective date of this proclamation. However, these quotas shall not apply to articles entered, or withdrawn from warehouse for consumption, if the articles were (1) exported from the country of origin prior to the effective date of this proclamation, and (2) imported directly into the United States, as determined by the appropriate customs officials, in accordance with the criteria set

forth at 19 CFR 10.174, 10.175 (1982).

3. This proclamation shall be effective as of 12:01 a.m. Eastern Daylight Time on the day following the date of its signing.

In Witness Whereof, I have hereunto set my hand this 28th day of June, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[Filed with the Office of the Federal Register, 11:30 a.m., June 29, 1983]

Letter to the Chairman of the United States International Trade
Commission on Import Quotas on Certain Sugars, Sirups, Blends,
and Mixtures
June 28, 1983

Dear Mr. Chairman:

Pursuant to Section 22 of the Agricultural Adjustment Act of 1933, as amended, I have been advised by the Secretary of Agriculture, and I agree with him, that there is reason to believe that certain articles containing sugar or sirups derived from sugarcane or sugar beets are practically certain to be imported under such conditions, at such prices, and in such quantities as to render or tend to render ineffective, or materially interfere with, the price support program for sugarcane and sugar beets undertaken by the Department of Agriculture.

Specifically, reference is made to the following articles:

Blended sirups provided for in TSUS item 155.75, containing sugars derived from sugarcane or sugar beets, capable of being further processed or mixed with similar or other ingredients, and not prepared for marketing to the retail consumers in the identical form and package in which imported;

Articles provided for in TSUS item 183.01 and 183.05, containing not less than 25 percent by dry weight of any sugars or blends of sugars provided for in Subpart A of part 10 of Schedule 1 of the TSUS, whether or not mixed with other ingredients, and capable of being further processed or mixed with similar or other ingredients; and

All other articles, wherever classified in the TSUS, containing over 65 percent by dry weight of sugars derived from sugarcane or sugar beets, whether or not mixed with other ingredients, and capable of being further processed or mixed with similar or other ingredients, except articles within the scope of other import restrictions provided for in part 3 of the Appendix to the TSUS.

The United States International Trade Commission is therefore directed to make

an investigation under Section 22 of the Agricultural Adjustment Act of 1933, as amended, to determine whether the above-described articles are being, or are practically certain to be, imported under such conditions, at such prices, and in such quantities as to render or tend to render ineffective or materially interfere with the price support program of the Department of Agriculture for sugarcane and sugar beets, and to report its findings and recommendations to me at the earliest practicable date.

The Secretary has also determined and reported to me, pursuant to Section 22(b) of the Agricultural Adjustment Act of 1933, as amended, that a condition exists requiring emergency treatment with respect to certain articles containing sugar or sirups derived from sugarcane or sugar beets as described below, and has therefore recommended that I take prompt action under Section 22(b) to restrict the quantity of these articles which may be entered. I have therefore this day issued a proclamation establishing quotas of zero pounds for the following articles:

Blended sirups provided for in TSUS item 155.75, containing sugars derived from sugarcane or sugar beets, capable of being further processed or mixed with similar or other ingredients, and not prepared for marketing to the retail consumers in the identical form and package in which imported; and,

Articles containing over 65 percent by dry weight of sugars derived from sugarcane or sugar beets, whether or not mixed with other ingredients, capable of being further processed or mixed with similar or other ingredients, and not prepared for marketing to the retail consumers in the identical form and package in which imported; all the foregoing articles, provided for in TSUS items 155.75, 156.45, 183.01,

and 183.05, except articles within the scope of other import restrictions provided for in part 3 of the Appendix to the Tariff Schedules of the United States.

These quotas will continue in effect pending the report and recommendations of the United States International Trade Commis-

sion and action that I may take thereon.
Sincerely,

RONALD REAGAN

[The Honorable Alfred E. Eckes, Chairman, United States International Trade Commission, 701 E Street NW., Washington, D.C. 20436]

Nomination of Elliot Ross Buckley To Be a Member of the Occupational Safety and Health Review Commission

June 28, 1983

The President today announced his intention to nominate Elliot Ross Buckley to be a member of the Occupational Safety and Health Review Commission for a term expiring April 27, 1989. He would succeed Bertram R. Cottine.

Mr. Buckley is currently General Counsel of the Occupational Safety and Health Review Commission. Previously he served as Chief of the Freedom of Information/Privacy Act Unit, the Department of Justice, Office of Legal Support Services, Criminal Division (1975-1982); Attorney in

Charge, Immunity and Records Unit (1969-1975); assistant principal and teacher, Sam Barthe School for Boys, New Orleans (1964-1969); attorney, private practice of law, New Orleans (1959-1964); and attorney, legal department, Gulf Oil Corp., New Orleans (1956-1959).

Mr. Buckley graduated from the University of Texas (B.A., 1943) and Tulane University Law School (J.D., 1949). He is married, has five children, and resides in Vienna, Va. He was born June 18, 1921, in New York, N.Y.

Remarks at the Annual National Leadership Conference of the Vocational Industrial Clubs of America in Louisville, Kentucky

June 29, 1983

Thank you very much, Rick. And what a pleasure it is for me to be with you today in Kentucky, a place the Indians once called "the land of tomorrow."

Well, this State and this arena of champions is a perfect setting for the Vocational Industrial Clubs of America to hold its annual national leadership conference and United States Skill Olympics. You represent this nation's [nation's] future. You will shape, fit, mold, construct, and program a new century for America. And once you've done that, you will tune it, alter it, repair it, and nurse it along so that it keeps running smoothly. America has no higher stake than in the quality of your education, the sharpness of your skills, and your opportunity to

use them both in well-paying jobs. I've come here today to reaffirm my personal commitment. I'm determined to see that you get all three.

America's trades men and women are the pistons that drive the engine of our economy. This country was built with the sweat and determination of hard-working men and women who, like many of you, love to work with their hands as well as their minds. Your forerunners were America's link between our dreams and reality. They were the people who transformed this continent into one of the wonders of the modern world. We're a nation of people who believe it's not enough to be good; you've got to be good at something. And

the difference that I've seen just here today of what is going on is thrilling and exciting to me because I've told some of the young people I met out there that I remember when vocational education was limited to teaching somebody how to make a pair of bookends. And nobody even tried to see whether they had a book or not. *[Laughter]*

But in this country, we have no patent on greatness. There is no guarantee that "made in America" will always mean made the best. Now, some doomcriers are already saying that we've begun to lose our edge. I don't think that's true, but we do need to remind ourselves where greatness comes from. Each generation must feel the spur of competition, share the commitment to excellence, and receive the rewards for a job well done. Each generation must remake the pact among Americans to live up to the promise of their freedom: to be the first, to be the best, to reach higher, farther, and deeper for greatness than anyone ever dreamed possible.

And each generation must realize that to achieve America's potential, we need all our people with all their talents working together. And that's why our drive for excellence in education must reach every student in every school in every subject. We should see that all our young people get a good grounding in English and literature, history, math, science, and the other basics. But we must also recognize that our vocational classrooms are just as important as any other. And we should insist that the vocational courses we teach prepare this generation with the skills they need for real jobs.

Another reason why Kentucky is such a perfect place to hold this convention is the State motto: "United We Stand, Divided We Fall." When our educators, businesses, and work force pull together in the true American spirit, as they are at this Olympics, the result can be nothing but success. And that's why I've been a big admirer of VICA for a long time.

When I was Governor of California, I became concerned that, as I indicated before, that our vocational education system was not training our young people for jobs that would be available when they were ready to work. As soon as I was introduced

to the Vocational and Industrial Clubs of America, I became a fan. You've been in the vanguard of the effort to increase cooperation between educators and industry. And I'm proud to hold a lifetime membership in California VICA.

VICA's Skill Olympics show how industry and educators can work together to improve the opportunities and productivity of America's workers. Some 245 major corporations, trade associations, and labor unions are pooling their resources to make this competition possible; donating time, equipment, training, and funding. This year alone, industry has contributed \$7 million to the Skill Olympics, and that expense is like a green light that's beckoning you into the work force. That money is not charity; it's an investment. It was spent to train workers in skills industry needs for today and tomorrow.

Other examples of private sector involvement in training workers are springing up around the country—I've visited an Opportunities Industrialization Center sponsored by IBM in Massachusetts and one of Control Data's training institutes in Pittsburgh, to name just two. In our private sector initiatives data bank alone, we show dozens of examples of business and education partnerships, and we're working to encourage more. I am convinced that forging these kinds of partnerships today is the key to a better trained, more productive work force tomorrow.

If America's industries hope to compete and win in world markets, they must have at their hearts a broadly educated work force trained in the skills of the 21st century. American industry as well as American educational institutions should take note of the VICA experience. Together we can lead our people and the world into a dynamic new era of innovation, growth, and prosperity. In the VICA tradition, we can forge a partnership for progress that will leave no one behind, calling on a great source of our country's strength: the commitment, energy, and patriotism of the American worker. We need the strength of every back and the power of every mind to bring about another golden age of prosperity for America. That's why we must not

and I will not rest until every American who wants a job not only can find one but has the skills to get one.

You know, if I might inject something right here that I've said before, and sometimes been misunderstood or misinterpreted, in the average metropolitan center or city, on a Sunday, get a hold of the metropolitan paper and look at the help-wanted ads today with 11 million of our people unemployed in this recession. But I think a good share of them are unemployed because of the technological changes that are taking place and that you here are aware of. And you read those ads and you say, "How can this be?"—the number of pages of them. The last time I read in Washington, D.C., I think was 65 pages, full pages of those little classified help wanted ads. And you read them in this time of unemployment, and you read that the requirements for them indicated that with all of the unemployment we have just fallen behind in equipping people for these new jobs that have come into the marketplace and are looking for people to fill them. And you are a part of that process here.

We're trying to incorporate the same theme of private sector involvement that I mentioned before in government jobs programs. Last year, I signed into law the Job Training Partnership Act. Instead of another make-work, bureaucratic boondoggle, that program will train more than 1 million Americans every year in skills they can market where they live. It will allow State and local government officials, business and labor leaders, and others to match the training provided with the jobs that are available in that particular area. The act also provides additional funds to our vocational institutions for effective job-training programs. You in VICA will play a key role in carrying out important provisions of this act.

Of course, America must have a thriving, growing economy for our people to work in. Since taking office, we've cut the rate of growth in government spending by 40 percent. And when the third installment of our tax cut takes effect on Friday, day after tomorrow—and it will take effect on Friday—and I can tell you that it will, because I have just received word since I ar-

rived here that the Senate has voted down the attempt to change that tax law. I can put my veto pen away. [Laughter] We will have cut personal income taxes across the board by the day after tomorrow by 25 percent. We also passed a law that will index tax brackets, starting in 1985, to keep up with inflation. Now, this will protect you from being pushed by inflation into a higher tax bracket when you've only gotten the cost-of-living pay raise. Fairness in taxation demands indexing, and yet, as you've probably heard, some of those who call themselves compassionate want to take it away from you before you've even gotten it. Well, we've also encouraged a stable monetary policy and reduced the growth in Federal regulations by a third.

Although we're still waging a battle royal to rein in the undisciplined spending of liberals in the Congress and fend off their persistent attempts to raise taxes on working men and women, a great deal of progress has been made. Inflation was in double digits in 1980; today it's running at an annual rate of just 3½ percent and less than 2 percent for the last 6 months. The prime interest rate which shut down virtually the automobile industry and the housing industry was 21½ percent when we took office. It's less than half that now. Mortgage rates have been cut by 5½ percent. Our factories are beginning—or 5½ percentage points, I should say. And our factories are beginning to hum again, our small businesses are coming up for air, and our housing and construction industries are taking off. Real wages were up in 1982 for the first time in 3 years, and last month personal income made its biggest jump in nearly 2 years.

Our task now is to hold the Congress to a course of fiscal responsibility. We must not allow these hard-won victories to become just another blip on the economic boom-and-bust roller coaster that we've been riding for a number of years. There's no doubt about it, we have begun a strong and steady recovery that will bring new opportunity and better times to all our people. Our economy is better off today than it was a month ago, and we can expect it to be better next month than it is today. Right now you can look to a future that is bright

with hope, and I'll do everything in my power to ensure that the big spenders and the big taxers in the Congress won't steal it from you.

A few months ago at EPCOT Center, I saw a film which portrayed Thomas Wolfe saying, "To everyone a chance, to all people, regardless of their birth, the right to live, to work, to become whatever their visions can combine to make them. This is the promise of America." Well, it's at the heart of our economic, education, and jobs program, and it's the reason for the Vocational and Industrial Clubs of America. You have a right to pursue careers of your choice and can take pride in the fact that America needs the ones that you've chosen.

As America progresses, as technology revolutionizes our way of life, we'll need you more than ever to program the computers, build the machines and make the microchips. Our service industries will need more and more of the skills that you are learning. About 8 out of 10 of the new jobs created in the last few years were in the service industries. And we will always need people expert in the basic building and mechanical skills that have been a traditional part of vocational education. You are and will be at the hub of every bit of progress we make. So, we must be sure that you get the very best training that we can provide.

VICA can be a great deal of help as we shape our agenda for excellence in American education. I understand that some of your voting delegates are serving in a task force in response to our education commission report. I'm counting on you to evaluate the report in detail and suggest activities for your local clubs. VICA can serve as a catalyst in local communities to increase awareness of the need for quality education. I would also like to commend you on your theme for the coming year: "America's New Professionals Making Us First." On behalf of your fellow citizens, I thank you for your dedication to excellence and your volunteer spirit. Your efforts can only lead to a stronger, more highly motivated work force.

It was inspiring for me to watch some of you practicing for tomorrow's skills competitions. In you I could see a whole generation of Americans straining and striving to

be the best. And I could see America's vast potential, our chance to build a bright and shining world of continued progress. I'm confident your generation is eager to take on the challenges ahead. If we who came before you do everything in our power to make sure you're ready, I know you won't let us down.

Good luck to each of you entered in the Skills Olympics tomorrow. And may the best competitors win. But let everyone go away from these Olympics knowing that the real victory is in the striving to be the best. And that makes every VICA member a winner already.

Could I tell you a little personal experience? Its only connection with what you're doing here is that it has to do with competition. It happened back when I was just first on the—made the first football team at Eureka College—made the first string, I should say. They'd had football teams before. [Laughter] I didn't word that very well, did I?

And one night, we were having a chalk talk over in one of the classrooms—those dim bulbs that never seem to be bright enough when it's nighttime. And I had never gone into a game in my life that I hadn't said a prayer. But I never would've said it to those guys around me. I thought I was probably the only one in the world that ever did that. Somehow, the subject came up from the coach about this. And one by one, I sat there and listened. And every fellow in that room, it developed, did the same thing. And then a question came from the coach.

Now, I know what I'd figured out for myself should be a prayer. You can't ask to win, because the Lord's got to be on everybody's side. But there are things you can ask. And one by one, I heard every one of these fellows, and all of us on our own, never having admitted it before, had come up with the same idea. You can't ask to win, but you can ask that He help you do your best and that you'll have no regrets having done your best no matter how it turns out, and that you will be content with the outcome—satisfied. Just may the best one win.

And I could say the same thing to you, because I'm quite sure that a great many of

you've got some prayers in your heart about this. But that's why you're all going to go home winners no matter just how it comes out. As a matter of fact, you're winners or you wouldn't even be competing in this particular contest. You're winners already.

Thank you. Thank you very much, and God bless you.

Note: The President spoke at 11:09 a.m. in Freedom Hall at the Kentucky Fair and Exposition Center. He was introduced by

Richard Bearden, president of the high school division of the Vocational Industrial Clubs of America.

Prior to his remarks, the President toured a practice competition of the U.S. Skill Olympics in the East Wing of the center.

Following his appearance at the conference, the President met separately with leaders of vocational student organizations and Kentucky Republican Party leaders in the center.

Remarks and a Question-and-Answer Session With Participants in the National Conference of the National Association of Student Councils in Shawnee Mission, Kansas

June 29, 1983

The President. Well, thank you, Bob Goodling, and thank all of you. I'm delighted to be back in Kansas and to bring you a piece of breaking news, truly good news. I spoke last night in my press conference about that unfair tax cap that was being pushed by some of the liberal spenders in Washington, and I promised that the tax cap would not become law. In fact, I would have been prepared with that pencil for a veto. *[Laughter]* Well, I'm pleased to report that the drive to increase taxes on millions of hard-working married couples, small businesses, and family farms, many of them right here in Kansas, has just been beaten back and defeated in the Senate this morning, 55 to 45. Now, I realize that you are from all over the country, but speaking of our host State here, Kansas, one of the champions in the battle for that victory was that outstanding Kansas Senator, Bob Dole. And a vote for it was the other Kansas Senator, Nancy Kassebaum. The full 10-percent tax cut will go into effect, as we promised, day after tomorrow, July 1st.

We're on the right path. America's economy is moving. This morning we learned the leading economic indicators were up another 1.2 percent in May, and that's the 11th straight monthly increase in those indicators. And just yesterday, we raised again our gross estimate for 1983. This stronger

growth could shrink the deficit by up to \$15 billion. And we intend to keep America moving forward, whacking down that deficit with higher growth and spending restraint, but not with higher taxes on hard-working people. I just thought that we could open with a news note of that kind.

But I understand that today does mark an historic first; that every NASC Conference has its share of presidents, but I believe this is the first time that a President of the United States has attended. And it's about time. In fact, you could say that for me it's a long overdue arrival.

And I was going to surprise you by telling you that I was the former president of the Dixon, Illinois High School student body. I should have known that someone would have beat me to it already. *[Laughter]* But I should have been at one of these conferences a long—well, years ago. There's only one slight hitch. I was student body president at Dixon High a little too early, several years before there was an NASC. *[Laughter]* It was founded in 1931. In politics, they would say that I peaked too soon. *[Laughter]* And, unfortunately, what with sports and part-time work, I never quite made the honor society. Now, I won't say that was a long time ago; let me just put it this way: Not only wasn't there a nuclear freeze movement back then, they hadn't even

split the atom yet. [Laughter]

But even so after all these years, I remember vividly my days as student body president at Dixon and, a little later, as chairman of the student body senate at Eureka College. I suppose you could say that those two jobs were my first exposure to elective office. The issues may have been different, but the lessons of leadership were the same.

Hard work, a knowledge of the facts, the willingness to listen and be understanding, a strong sense of duty and direction, and a determination to do your best on behalf of the people you serve—these are the hallmarks of good leadership at every level, whether the political arena is high school student council or the capital of the mightiest nation on Earth. I've tried both. And frankly, I had more fun in student government. [Laughter]

Your duties in student government, like the efforts you put into your individual studies, are worth it. They may seem heavy at times, and they are a big responsibility. But it's by accepting duty and responsibility that we learn and grow. The dividends your experience will pay in lessons learned, in pride taken in a job well done, is a kind of basic training course for future leadership. These are things that will keep on rewarding you all your lives.

There's something else that I'm sure each one of you has come to believe from personal experience. I know I have. It's the sentiment summed up in the motto of this conference: "Leadership Begins in the Heart." You can't get out of your public service more than you put into it in terms of caring, commitment, and dedication—the most precious assets that you can bring to any job.

Teddy Roosevelt once called the Presidency a "bully pulpit." Well, by that he meant that it offered an ideal platform for getting important messages and ideas across to the American people. That was what I had in mind a few weeks ago when I launched what may be one of the most important initiatives of this administration—a great national debate on the future of American education.

It's an important debate, because you're important, because the degree to which we

can improve American education now will have a big effect on the opportunities you and your fellow students will have in the years ahead, your chance to play a productive part in the great adventure in new ideas, new technology, and new opportunities that await your generation.

We care about education because we care about you. And we care about you not just because you're our children and grandchildren, but because you're the future of America, the ones who will carry the torch of freedom and idealism into the 21st century, the ones that will keep the American Dream alive and, in your turn, pass it on to future generations of young Americans.

But you can't do that job, you can't achieve that destiny, without a good education. As Woodrow Wilson, a great statesman who was also a great educator, once said, without popular education, "no government which rests on popular action can long endure."

And that's why the great debate on the quality of our schools is building today in the Nation. And that's why it's so important. I've been speaking with parents, with teachers, with school principals, superintendents, and State and local officials—all people with a vital interest in putting our schools back on the track to excellence. But I feel no group has a fresher awareness of the problems in our schools, a greater understanding of the grassroots issues involved, or a deeper personal interest in the outcome of this debate than you, the student leaders, who are gathered here today.

You represent the generation which is paying the price for past mistakes in education. You've shown your willingness to accept the responsibilities of leadership. And I hope that you will stay involved as your communities sort out their priorities and begin anew to fulfill the promise of a good education that this nation has always offered its people.

I'm sure the recent report of the Commission on Excellence in Education wasn't news to you. Many of you come from classrooms where teachers are struggling against mounting odds to maintain order and to teach. You and your older brothers and sisters have often seen basic, required courses

replaced by electives and homework reduced or ignored. And you know that too many of your classmates will graduate from high school without some of the skills they'll need to realize their fullest potential as citizens. They'll enter a world of great opportunity, but some of them haven't been taught the things they will need to take advantage of the opportunities that are available.

Technology has been advancing at a faster rate than ever before in human history. All over America, even in cities with high unemployment among young people, employers are running page after page of want ads offering food, well-paying jobs for people educated in math and science. They're also spending billions to train people to control the sophisticated equipment in modern factories and offices. But they need more people with a solid background in reading, writing, calculating, and thinking—people practiced in the art of modern learning.

I sometimes wonder what future historians will think looking back on our era. We live in a time when rapid, startling advances are being made in science; when men and women are traveling in space; when the secrets of nature are being unlocked in laboratories; when electronic computers have revolutionized everything from space travel to home appliances.

How will posterity reconcile these facts with the clear evidence that too many of our schools are teaching less? I find it puzzling myself, but particularly so when we know that during this 20-year period of decline in the quality of education, the cost of educating a student in the public schools has doubled—and that is in constant dollars, not inflated dollars.

A major factor in that decline has been the unfortunate side effects of the Federal Government's efforts to aid the schools: the transfer of authority in education from the States and communities of the Nation to Washington, D.C. History shows that during the time when America built the greatest system of education the world has ever seen—and it is still a great system—the work, the planning, and the money were all supplied by States and local school districts with no Federal interference. Authority to

conduct education had been strictly left to the States. Schools were run by elected school boards according to requirements set by State governments, and they answered directly to the people they served.

And then about 20 years ago, Congress passed the first large-scale aid to the public schools. It's not hard to understand why. School systems were struggling desperately to serve the children of the post-World War II baby boom, and millions of affluent taxpayers were leaving the cities for the suburbs. State school finance formulas couldn't keep up with the shifts in population. But, as some of us had warned, with Federal aid came Federal control, the growing demand for reports and detailed applications for all the various categories of aid the Federal Government eventually offered.

Over the same period, the schools were charged by the Federal courts with leading in the correcting of longstanding injustices in our society—racial segregation, sex discrimination, lack of opportunity for the handicapped. Perhaps there was simply too much to do in too little time, even for the most dedicated teachers and administrators. But there's no question that somewhere along the line many schools lost sight of their main purpose: Giving our students the quality teaching they need and deserve took a back seat to other objectives.

We're trying to turn that around and with your help, we can. I'm happy to say that once again our schools are beginning to focus in on excellence in education. The question is no longer what should schools be doing, but how they can prepare students to take an active and rewarding part in the age of high technology that we've entered.

Our goal is as clear as it is vital—the best possible education for all our citizens. And I intend to work with all who share that goal.

If the record of the past 20 years proves anything, it is that money alone is not a solution to the problems in our schools. First, we must have agreement on goals and plans and how to reach those goals. And this process must involve the whole community, particularly the parents and students of the Nation.

I commend to all of you the report of the Commission on Excellence in Education. "A

Nation at Risk" is its title. It is clear, it's readable, and makes recommendations that every community should consider in its planning to revitalize its schools. I'll just mention one of these—the recommendation on high school curriculum. The Commission recommends for all high school graduates a foundation in what it calls "the Five New Basics": 4 years of English, 3 years of mathematics, 3 years of science, 3 years of social studies, and a half a year of computer science. And for students planning to attend college, it recommends at least 2 years of foreign language in high school.

Now, I'd be interested to know how many of you student leaders feel that you'll have the equivalent of that background behind you when you go to college. Well, I see the hands going up—great. That's great. And your work is cut out for you.

When you go back to your communities, I hope you'll do so with a sense that you're part of something very important that is happening in this country. America's finally waking up to a threat to this nation caused by neglect of the most important function of our schools—teaching the skills that people need to succeed in life.

The problem is clear. It's up to you as leaders to become a part of the solution. Together, generation to generation, from coast to coast, we can make American education great again. And we're counting on you to help in that.

Thank you, and God bless you.

Maybe I should quit while I'm ahead, but you can see maybe I didn't learn all that I did learn, because I understand now that we're going to have at least a brief period here of some questions and answers. And I don't know how this is programed—I understood that there were going to be microphones and—

Education

Q. Mr. President, my name is Tracy Park, and I'm from Centerville, Iowa. My question is: You are on record as favoring the abolition of the Department of Education. Since the publication of "A Nation at Risk," the educational commission's report, education appears to be a higher priority with you. Does this mean that you have changed your mind about the importance of a De-

partment of Education?

The President. No. I have never favored—and did not favor when it was started—making a Cabinet agency out of that because, once again, remember the Federal Government contributes about 8 percent of the cost of education. The rest comes from the local and State governments.

And I just felt that elevating that department—there are legitimate functions that the Federal Government should fund, and some of those programs were already in existence but under other departments of the government—I felt that this was giving the Federal Government more importance and enabling it to interfere more with what should be education controlled at the local and State level.

There are those in Washington who actually believe that we should change the whole system into a single Federal educational system, not recognizing the great diversity of all of our States. So, our intention never was to eliminate what government was doing, other than eliminate the unnecessary interference.

I think I could sum it up—Secretary Bell, here, is in sympathy with this. He is the Cabinet officer who's working, trying to eliminate his own department, but not to eliminate some of the necessary Federal functions. But I think I could sum it up for you in telling you that some of the paperwork that administrators in your schools know about, that are forced on them by the Federal Government in return for the 8 percent—a lot more paperwork than is forced on them by the governments that pay the 92 percent.

And one example was the teacher that realized one day that the form that he kept getting, and kept filling out, and sending in, asked some of the same questions over and over again—that once should have been enough—such as what was the size of his classroom? So, he got curious as to whether anybody in Washington ever read those reports. So he began filling it out and increasing, each time, the size of his classroom, until he got it up to the size of the Coliseum—[laughter]—and no protest from Washington. So then he went the other way, and he started reducing it down to where his

classroom was smaller than a steamer trunk and still no word from Washington. And that's when he decided, "Why fill them out? No one's reading them."

But this is the type of excess bureaucracy that we can do without. See, the Federal Government has to learn—and we're trying to teach them—the Federal Government has to learn, if it ain't broke, don't fix it.

Federal Aid to Education

Q. Mr. President, my name is Darren McCullough, from [inaudible]—Louisiana. And my question is: Besides the opportunities already available, is there going to be an attempt to broaden the availability of Federal aid, grants, and loans for eligible college students?

The President. I think that we—and to those of you who may have to help find your way through school, let me tell you it wasn't all bad. One of the better jobs I ever had at Eureka College was washing dishes in the girls' dormitory. [Laughter]

Yes, there is, I think, a misperception that in some way we have been trimming back on programs of that kind. What we found when we got to Washington was that some of those programs—as they spread and as Washington tries to help everybody—were actually going to people that didn't have a legitimate excuse to be getting help at their fellow taxpayers' expense. Their incomes were such—and this ranged all the way from school lunches, subsidized school lunches, on up to college loans. And what we did was change the requirements and increase the number of grants and loans and help and even school lunches that were available at the bottom of the earning scale, down for the people who had the least ability to afford this kind of help for their children or their young sons and daughters in college. And this is still our goal and what we're trying to do.

But there has not been—in the sense of actually reducing the help, no, it has been a shifting of it from people that were above a certain percentage of income as related to the poverty level down to those who truly needed the help.

Civil Rights

Q. My name is Jerome Bower, and I'm

from Capital Heights, Maryland. And my question is: You recently appointed several persons to the Civil Rights Commission who do not advocate the use of busing to integrate public schools. This, along with your administration's lackluster enforcement of civil rights laws passed in the 1960's, has led many Americans to believe that you are willing to send us back to the times before the Montgomery bus boycott and Dr. King's march on Washington. How would you respond to these critics who say that you're spending more time worrying about the civil rights in El Salvador than worrying about those people who are being discriminated against here in America?

The President. I'm glad you asked that question. I hope sometime, at some press conferences, it will be asked more often. There is a perception that I have to tell you, on my own behalf, is totally false about our approach to anything of that kind.

I can call to your attention that the idea of forced busing, now, is one that the polls show that both minority and the majority in America—parents—disapprove of. They don't believe—that while it started with the most worthwhile of ideas, that it has not achieved the purpose that it should, and that we could find better ways to bring about what we want. I am wholeheartedly in favor of integration—and was, long before there was a term called "civil rights," back at a time when—well, some of the things that went on, it's hard to believe now—but back when I was your age, that we lived in a time in which there was such injustice, such discrimination.

But I, fortunately, was raised by a mother and father who believed that the—well, the only intolerance they had was they were intolerant of intolerance. And I was raised to believe something else. And when I was a sports announcer in Iowa, not too far from Centerville, announcing major league baseball—how many of you remember that, within that span of time, major league baseball—no blacks were allowed to play? It was in the Spaulding Guide. It said, "Baseball is a game for Caucasian gentlemen." And there were some of us at that time that began campaigning that this was wrong, and this was immoral, and it should be

changed. And I am proud to say I was one of those.

Now, I think you mentioned our appointment to the Civil Rights Commission. Well, one of them, a Dr. Abram, was the lawyer who defended Martin Luther King when he was arrested for the sit-in in a lunch counter in Atlanta, Georgia. And Bunzel, who was the head of San Jose State University for 8 years, has been involved in civil rights activities for 35 years and was honored by the Board of Supervisors of San Francisco for his work in civil rights in 1974. The other member that I have nominated has an equally solid record in that. And the young Hispanic woman that I have named as Director of the Board, the Executive Director, she is not only of a minority community herself, but she was the assistant to Albert Shanker, the head of the American Federation of Teachers union and also participated in civil rights in education.

I think there's been some misinformation about what we're trying to do and what we've done. As a matter of fact, our Justice Department right now is engaged in more investigations of suspected discrimination in school districts than, I believe, any of the past several administrations have been.

And I can only tell you this: My own feeling and belief is that wherever in this country any individual is being denied his or her constitutional rights, it is the responsibility of the Federal Government, with all the power it possesses, to go to the aid of that single individual.

American Heroes

Q. Mr. President, my name is Christine Thompson, and I'm from New Baltimore, Michigan. You are in a room with 1,400 student leaders. As students, we hear from many of your contemporaries that America does not have as many heroes and leaders as it once did. What is your opinion as to why this has occurred? Who are your heroes, and why?

The President. Heroes. You know, we seem to be in a kind of a cult. And the entertainment world is partly guilty of this, as well as other things. We seem to be obsessed with wanting to tear down our heroes. But you know something? We're a

country of heroes. And the greatest unsung heroes in the world go unnoticed. No, they're not out there manning the parapets or riding to the rescue. They're getting up every morning. They're sending you, their sons and daughters, to school. They're going to work. They're contributing to their church and their charities. They're making this society run.

We have started a thing called the private sector initiative since we've been there. This is to turn and find out, how many things can the private sector do that government has increasingly insisted that only it could do? I just left Kentucky. And there, in Louisville, Kentucky, I was meeting with a group as big or bigger than you, who are the leaders and the students of vocational education. And they're there for the Vocational Skills Olympics that will take place tomorrow, in which they will compete with each other in their knowledge and what they can do with high technology, with constructive things, with engineering, and so forth.

But speaking of heroes, there was a group of very top chief executives of major corporations in this country. They have volunteered and are helping and are furnishing the equipment and the training. And they've put up \$7 million to finance these Olympics. And all over the country this is going on. Yes, we have heroes. I think the hundred kids in our Marine Corps, stationed in Italy, that sent me a letter the other day and said, if by them doing without a cost-of-living pay raise it would help our country in this time of deficits, count on them, they'll do without the pay raise. I think that's kind of heroic.

Moderator. We'll have time for one more question.

The President. Oh, dear, one more question. All right.

Historical Analogy to Nuclear Arms Race

Q. Mr. President, hi, my name's Shelley Little, and I'm from Spokane, Washington. And my question is: Has there been an historical chain of events commensurate to the nuclear arms race of today?

The President. Historically, has there been a chain of events that is commensu-

rate to this? Yes, probably not in the scale of how quickly potential devastation could occur as it can with nuclear weapons, but I remember back when Franklin Delano Roosevelt was President. 1938. Hitler had begun his rise to power in Germany. Hitler, at a time when—still in that aftermath of World War I, which is still called “the Great War”—other nations had disarmed to a great extent, and suddenly, here was one of the great military machines of all time being built in Germany, the country that had just lost that World War. And Roosevelt asked at the time, he said, “Why don’t we quarantine the borders of Germany? Why don’t we stop all trade, all communication across those borders until he joins the rest of the free world in eliminating those weapons and in searching for peace?”

Well, he was almost hooted out of public office for having made such a statement, because there was too much communication and trade going back and forth at the time. You ask yourself, had he succeeded, had anyone listened to him, would there have been World War II? And we know the answer to that.

Now, today, we have another power in the world that has built the greatest war machine the world has ever seen—far outnumbers anything that we have. And it can’t be described as just purely for defense, because the Soviet Union’s military structure is built for offense. We, in turn, have—we’ve managed to keep the peace for almost 40 years now since World War II, the longest period, virtually, in European history and certainly in this century. And we’ve kept it by a deterrent. We’re not up to them in strength yet, but we maintain a deterrent that says to them, “If you try it—if you try to do this world conquering thing that other dictators have tried in the past, the punishment to you will be unacceptable.” And this is the only purpose of our arms.

We have a team in Vienna that is negotiating and has been for some time on conventional weapons. We have two teams in Geneva, one negotiating, hopefully and prayerfully, for a reduction in the strategic nuclear weapons—the long-range, the missiles, that if they push the button would be here in 20 to 30 minutes, exploding all over

our land. The other one is in intermediate-range weapons. The Soviet Union has about 1,300 warheads in intermediate-range weapons posted near the NATO front, and which in 5 minutes those could be destroying all the targets and the cities of Europe. We have nothing of the kind on our side. And our NATO allies have asked us to provide a deterrent force there, and we agreed. And before the end of this year, the deployment will start of this deterrent.

The Soviet Union is very upset about this, but they came to the negotiating table and they are there. Now, we have offered that why don’t we negotiate a total elimination of those intermediate-range weapons?—they do away with theirs, and we won’t send any of ours, and there won’t be any nuclear weapons in Europe. They’ve said, “No.” So we want an agreement, so we’ve said, “All right. We’ll negotiate with you on a reduced level, then, as far down as you will reduce it.”

But I would like to call to your attention also, on behalf of our country, because a lot of times it doesn’t seem as if the reports about our country or what we’re doing are what we actually, as a nation, deserve. In 1946, we were the only ones with the weapon, the nuclear weapon. We could have dominated the world. But in 1946, we called a meeting of all the world leaders and said, “Let us create an international commission to supervise the use of peaceful nuclear power and to totally eliminate all nuclear weapons.” And think of it, we had the monopoly then. The Soviet Union was the only country that refused to go along.

And so today, we have this arms race, which we’re trying to stop now. They say in their military manuals—and I have read this phrase—that a nuclear war is winnable. And they’ve said that it is all right if it furthers the progressive kinds of government and changes that they think should be made. Well, we say that a nuclear war is not winnable. It must never be fought. It can do nothing but destroy people on both sides. And we’re going to keep trying—*[applause]*.

Thank you very much. I’ve got to get out of here. I’ve stayed here too long for all of you. But let me just say one thing that I like

to say to young people like yourselves: No generation in history has ever been treated to as many words as you are. You have our communications, our media now. You can hear them, you can hear and see them, you can read them. And they, people like me stand up here and talk to you on them. Let me just say one thing: I've answered a few questions here with some things that I said were facts and figures. Don't let me get away with it. Check me out. And do that with everyone who tries to bring a message to you. Don't become a sucker generation. It isn't insulting or anything, just make sure always that you're being told the truth.

Thank you very much.

Note: The President spoke at 1:41 p.m. in the gymnasium at the Shawnee Mission

Northwest High School following remarks and an introduction by Robert Goodling, student chairperson of the National Association of Student Councils. Mr. Goodling presented the President with a souvenir pencil, engraved with the theme of the conference: Student Leaders Building America's Future.

As printed above, the spelling of the participants names follows the text of the White House press release.

Following his remarks, the President met at the high school with the leadership of the association and the National Association of Student Activity Advisers. He then left Kansas and traveled to California.

Upon arrival in Los Angeles, the President went to the Beverly Wilshire Hotel, where he remained overnight.

Remarks at a Regional Forum of the National Commission on Excellence in Education in Whittier, California

June 30, 1983

Thank you very much, Mr. Secretary. I'm delighted to be here at Pioneer High School. Pioneer is an appropriate name, too, because this school is pioneering a new age of education based on old values, under the leadership of Mr. Eicholtz. How about that, at my age and I'm still calling the principal "Mister." [Laughter] But under his leadership, this school shows what can be accomplished when students, faculty, parents, and the local community work together.

I'm told that at one time, Pioneer was a problem school. But today, it's a finalist in the National Secondary School Recognition Program. And what I like about Pioneer is its pride. Teachers are proud of students; students are proud of teachers. Both are proud of the principal. And everybody's proud of the school itself.

Principals, teachers, and students all pick up paper in the halls if they find it and throw it in trash cans. [Laughter] Instead of putting up a 10-foot chain-link fence, parents, students, and teachers built a distinguished wrought-iron fence. The community Little League, which uses Pioneer's ath-

letic fields, has invested \$11,000 and thousands of hours improving the facilities. And what all this means is that students are more receptive to learning, because they respect the institution known as the school. And this is a base.

The resulting academic benefits are now flowing—and you'll hear more about those in a few minutes. There has to be an attitude for learning before anything sticks in the student's head. And we've seen that attitude change here at Pioneer. I wish I could load all the students and teachers of this school on a bus and take them around the country with me, showing the Nation what can be done.

This meeting today is one in a series of forums to discuss the recommendations of the National Commission on Excellence in Education. The last time education was the focus of such intense public debate was during the 1950's. This Nation then was shaken when the Soviets launched their Sputnik. We responded by making math, science, and engineering education a priority, and that beautiful white space shuttle

that we've just recently seen shows how we succeeded.

I believe the Commission's report has shaken the Nation as well. And we need shaking. We needed a respected, bipartisan panel to take a hard look at our educational system and tell us where we'd gone wrong. Now it's up to us to respond as positively as we did in the 1950's.

One of the recommendations of the report was that citizens across the Nation should hold educators and elected officials responsible for providing the leadership necessary to achieve reform. And I agree completely. We Federal officials have the responsibility for identifying the national interest in education and providing leadership. But local officials are the ones who pay most of the bills and govern the school district. And it's at the local level where progress will be made.

Local school boards can set higher standards. They can see that outstanding teachers are rewarded for their efforts. They can provide incentives and recognition for students who work to attain the outer limits of their ability. We need to bring the concept of achievement back into our schools—achievement for teachers and students alike.

Leadership is so important. We need the best efforts of Governors, legislators, superintendents, school board members, principals, students, and parents. Teachers can't succeed unless all those in leadership positions create conditions supportive of success.

And while I'm at it, I would like to applaud Governor George Deukmejian and his efforts to make education a number one budget priority in his administration. Fifty-one percent of Governor Deukmejian's proposed California budget is dedicated to education—the first real dollar increase in 7 years. The Governor's plans for California education are consistent with the recommendations of the Commission, and all Californians will benefit from the reforms of the system, and yet, do it with no new taxes.

Of course, the home and family are the foundation on which we build effective schools. It's vital to recognize the very significant role of parents in all of this. That's

why I recently went to Albuquerque to address the P.T.A. Schools can't do their job if a child doesn't come to school with a readiness and a willingness to learn, and that begins at home. No success on the school's part can totally compensate for failure in the home.

The time has come for a grassroots campaign for educational renewal that unites parents, teachers, students, local officials, and concerned citizens. We need to restore parents and local government to their rightful role in the educational process. It's going to take the attention of all of us to attain the reform of American education. And this must be one of the highest priorities of America today, and that's why I'm spending so much time trying to spur the debate.

However, before we start our discussion, I want to tell you that during 1983, we have been conducting a search to find some exemplary secondary schools. We need some role models, and we need to point out to the public that in spite of the problems we face in education, there are still some outstanding schools to be found all across the Nation. Through use of a panel of experts, not employees of the Federal Government, a list of winners in a nationwide search has been compiled. And I'm pleased to announce that Pioneer High School has been selected by the panel to be honored for excellence in education.

If the principal and the superintendent will join me here, we will make the first of 144 awards to be made in our nationwide search for exemplary schools.

First is this plaque recognizing Pioneer High School, Whittier, California, for outstanding progress toward excellence in education.

Because, now, plaques hang on the wall within the school and only those who are within the school can see them, and since this recognition should be more widely known, we have had designed and made a flag. You do a better job of flying it from the flagpole than I did in trying to straighten it out. *[Laughter]*

Now, I guess we start the panel. And now I guess we're going to hear a little more about your success here with Pioneer.

[At this point, Secretary Bell introduced the

first of several speakers who participated in the panel discussion, which lasted approximately 15 minutes. The President then continued speaking.]

Could I—please, just for one second, could I just give a little sum-up here of my own—and you’ve all been so gracious about my being here, I just want to tell you—and if it includes those other 143, that’s a lot more fun than I have most of the time in Washington. [Laughter]

No, I’m very proud to be here. And my good friend, Jaime Escalante, I’m very proud and happy of that signature and what you’ve done, what you’ve accomplished here.¹

I agree with the things that you said and what you said about extracurricular activities. They were very near and dear to my heart also. And I agree, there is a great deal of learning in all of those things.

I have a nostalgic feeling right now, and I’m going to just tell something for the benefit of the students here of that and a little confessional. I have a warm spot for principals. I was in the principal’s office once in Dixon High School. [Laughter] And he was a remarkable friend who remained, until his death a short time ago in Dixon, we kept close contact and all. But I wasn’t in there just to pass the time of day. [Laughter] And at one point in what was going on he said to me, “You know, I don’t care what you think of me now.” He said, “I’m only interested in what you’ll think of me 15 years from now.” And it goes with that thing that you just said about the loving care and the feeling on the part of students that those that are teaching them have their interests at heart. Because I didn’t have to wait 15 years for him to find out what I then thought of him and what he had meant to me.

The thing here of—and the recommendation of the Commission about required courses—and this again, to the students. I know it’s very easy to think that what you

want and what looks like fun in studying is fine. But none of us ever entered high school with really the knowledge of where we were truly going, what we wanted, because we hadn’t had enough experiences to make those choices. And it’s in the compulsory courses that you find out.

I found out, for example, that I had to fight like crazy, to just stay eligible for football, in the science classes. But I also saw schoolmates of mine that suddenly just found themselves and couldn’t wait till the last bell rang to go back up to the lab and on their own do additional things in those courses. And today, that’s the field that they find themselves in. By the same token, believe it or not, I fell in love with English, and so did rather well in that. But in those days, who would have discovered that if we had not had what the Commission recommends—that you had to take English, you had to take math, you had to take some science—and this was what gave us our chance to find ourselves and become educated in that way.

But the overall thing again was—and here, really, the nostalgia runs warm and deep—and that is that, yes, there was a great security. You might have gotten irritated sometimes as a student at them, and you might have been mad about a grade you got or something else. But you went to school with the knowledge or the belief in your own heart that those people were dedicated to your welfare.

And it was almost the same atmosphere as with parents. They wanted you to succeed and do well. And too many of our schools in the country—and that’s what’s caused the Commission—have gone into a time in which students are passed on from one grade to the next simply because they came to the end of the year.

And the other day, I had the experience of calling a young man in Chicago, Illinois, a basketball star in one of our universities. My mother had taught me that everything always happens for a reason and for the best. In his case, it was a shattering injury to his knee, which certainly was not going to help his basketball career. But in this day and age, he had gone through junior high as a star, in senior high as a star, was playing

¹ Mr. Escalante, a math teacher and panel discussion participant, had shown the President his teaching certificate, which the President had signed when he was Governor of California.

varsity basketball at one of our universities. And because of the bad knee, he had begun to realize no one had been educating him; they'd just been letting him play basketball. And he went to Chicago to that wonderful teacher who's attracted such national attention, Marva Collins, to sit down with fourth grade students and learn to read and write.

How in the world—I can't believe in my day that anyone could have ever been passed through and on and be in the university. And he had even learned that in that university the courses they'd given him, like the history of baseball. [Laughter] But they hadn't told him that if he completed all those courses, he could not get a diploma, which was what he honestly wanted. And he told me on the phone that he would be forever indebted. And he said the children—he said, yes, it was embarrass-

ing, a 6-foot 9-inch fourth grader. [Laughter] But he said they were very kind, and they were wonderful to him and helped him in every way. And now he's going to go back to college to get a diploma, not play basketball. He's not going back to the same college—[laughter]—going to another one.

But, this, I'm so encouraged. And the only reason—just so you'll know—that I'm leaving here is because I have a date, and I don't want to keep them waiting with one of their summer classes in remedial reading. And I want to go out and join them. They probably invited me because they've heard some of my speeches. [Laughter]

Note: The President spoke at 9:33 a.m. in the Pioneer High School gymnasium. He was introduced by Secretary of Education Terrel H. Bell.

Question-and-Answer Session With Pioneer High School Students in Whittier, California

June 30, 1983

Mr. Garcia. Good morning, Mr. President.

The President. Good morning.

Mr. Garcia. It's a pleasure to have you here on our campus here at Pioneer High School.

The President. I'm interrupting something.

Mr. Garcia. No, you're not at all interrupting. Like to join us?

The President. Yes, I would.

Mr. Garcia. Are we ready? Today we are working on some material that has to do with application forms. And we're doing this to have a personal data sheet so when the students go looking for work they have this information with them—so that it's readily available when they're seeking a job, or applying for a school, or going to college, or wherever they may be heading in the future. So, that's what we're working on today.

The President. And that's a pretty practical lesson—oh, I guess I better use this, hadn't I? [Laughter] Well, I just said inside—I was in there with the forum that's

going on for a moment ago and told them I had to come out here because I was scheduled to be here. And I said that I thought that maybe you asked me to a remedial English class because you heard my speeches. [Laughter]

But, no, I'd just like to—and I won't say too much here before we get into maybe some dialog that I would hope we could have. I know that summertime, and a summer class, is not—is probably not the happiest experience, and you think that you could find a lot of things you'd rather do than that. But I think that one day you'll find that this was an awfully important thing for you.

You know, we may have all kinds of ambitions—and this is fine that you're learning what you're learning here and something that would be helpful in work or in a job. And no matter what you want to do or how badly you want to do it, too many people will go single-mindedly at this particular craft or profession that they want, and they won't bother learning the ability to commu-

nicate with others. And you stop to think of how many great things that have occurred and great masters of science and engineering who've given us some of the benefits that we enjoy today—if they hadn't had the ability to sell someone on that idea and convince them this was a good thing, we might not have some of those advantages. And all of that is based on what your class is all about here today: the mastery of the language, the ability to communicate with others. And if you've got something really to sell—and it could be no more than selling yourself across a desk—in order to get a job that you want very badly.

But I'm not going to go on talking that way. I said a dialog—I think maybe you might have some questions that you'd like to ask. And I know that I don't have too much time here to interrupt your class. But you fire away. I know there's a microphone out there to be—

Mr. Garcia. Does anyone have a question for the President?

Q. Mr. President, how do you feel about coming to Pioneer High School?

The President. Well, I'm very proud and, I have to tell you, very excited. And you weren't inside, so I can tell you that we just presented a flag and a plaque to Pioneer High School as our first selection—something we're going to be doing throughout the country—of a school that had been decided, on a group of experts that we've chosen throughout the country to make these decisions—this flag announces that this school has received the first award for excellence in education.

And I met with your principal and the superintendent of schools in there, and I must say, it was very inspiring. And I'm going to go away from here a lot happier about your generation and education in America as a result of what this school has accomplished.

Q. Well, I hope you enjoyed the trip over there.

The President. I enjoyed it very much.

Mr. Garcia. Does someone else have another question?

Yes.

Q. What do you think about their cutting down money? They're giving us money, to the district of Whittier. What do you think

about it, because, you know, we have a six-period day. But now, we're going to a five-period day, because they're cutting down on funds. And we can't go on a six-day period. And, you know, they're cutting off some of our electives. What do you think of that?

The President. Well, I wasn't aware of that, didn't know about that. But I know that many of the things that the Commission on Excellence in Education is recommending are things that are not going to be affected by budgets or money. As you know, the bulk of budgeting for education comes from local and State governments. And the State government of California, I'm happy to say—51 percent of the budget is for education.

The Federal Government, from the beginning, when it first began contributing to education, has only—only puts up about 8 percent of the money for education. And this is for a number of things—programs that would not be affected by what you're talking about. And if more money is needed, we also have to recognize at times—for example, California was in a pretty bad situation just recently. And they're trying to get out of the hole. So, everyone may have to be set back a little bit. But I don't believe that that is going to really cut back on the quality of education that you're getting in this school.

I also just heard Jaime Escalante, a teacher in mathematics here, and his plans for the improvement in that and the increase in classes in that. And he showed me that, when I was Governor of California, he showed me a copy of his teacher's certificate. I signed that certificate when he became a teacher, when I was Governor.

But there's no question about the importance of it. In California the tradition has it that the State splits 50-50 with local government on the cost of education. So, 51 percent makes them a little ahead.

When I became Governor here, the State was only putting up about a third, even though the tradition had it that they were supposed to do more. And we did achieve that 50-percent level. But there are things that need implementing, and that is more required courses, fewer snap courses that

you can choose for yourself, stiffer requirements for graduating. All of those things, I think your school is engaged in and is doing right now.

Mr. Garcia. Okay. Anyone else? Are there any other questions? Okay, then give—pass the microphone over to Robin—Robin. Pass it down to Robin. There you go.

Q. Mr. President, how do you like living in the White House?

The President. How do I like living in the White House?

Q. Yes.

The President. Well, I've described it several ways and several different ways. I told them once when I was a kid and my father worked in a store, we lived above the store. It's a little bit that way in the White House. You go to work in an elevator—[laughter]—and go home from work in an elevator. No, it's very beautiful, and you're impressed by the history of the building and can't complain about the lack of comfort. It is a most comfortable place to live.

At the same time, there is a little feeling of being a bird in a gilded cage. You're rather restricted and limited in what you can do. Once you get upstairs there, that's about where you are until it's time to go to work again. And that's why I found why so many Presidents, including myself now, on weekends go to Camp David, where you can get back to a normal house and open a front door and walk out in the yard if you want to, take a hike, and do things of that kind. You are restricted there in the heart of the city.

But the history of it never ceases to impress you, the knowledge of all the people that have lived there. It used to be that the White House was also all the offices of the President's staff and Cabinet and so forth.

And it was in the time of Teddy Roosevelt when—

Mr. Garcia. Mr. President?

The President. What?

Mr. Garcia. I think our time is pretty short now, and I see a signal coming over here. And it's—

The President. All right.

Mr. Garcia. —been a pleasure to have you visit with us here at—

The President. Well, I've enjoyed it.

Mr. Garcia. Okay, so we want to thank you very much.

The President. I left Teddy Roosevelt way up in the air. And I was just going to tell that they had seven children, and his wife one day told him that he was going to have to get all those employees of his out of the White House or she couldn't raise seven kids. [Laughter] And that's when they built the Oval Office and all the places where we now have the offices that we go to in an elevator.

Well, listen, I've taken too much of your time. And let me just once again say, really, take seriously what is happening here. This is a course that can be as important as anything in the world to all of you and what your futures—what you want your futures to be.

Mr. Garcia. I think that's about it.

The President. Sure. [Inaudible]

Mr. Garcia. No, not at all. We want to thank you very much. It's been an honor to have you here.

Note: The exchange began at 10:21 a.m. in the Pioneer High School courtyard. The students were participants in the high school's Limited English Proficiency Clinic, taught by Daniel A. Garcia.

Remarks at a California Republican Party Fundraising Dinner in Long Beach June 30, 1983

The President. Thank you very much. Thank you. Ed, thank you very much. And I thank you all for that wonderful California

welcome. I, too, miss those who couldn't be here tonight. But, Bill, you mean they're still doing it on the night before the first of

July?

Response. Hasn't changed in 16 years.

The President. I can remember 8 years of waiting up there until 3 and 4 in the morning. You see, they stop the clock at midnight, so that it won't be the first of July, while they go on doing what they're doing.

Well, seeing old friends like you here tonight is the best part of the trip. And now, of course, we have a special reason to cheer. How sweet it is to say "Governor George Deukmejian."

You know, George and I go back many years, more than I think either he or I want to count. But by coincidence, our first meeting took place—and it had to do with Republican politics—in Long Beach, California. We have much in common, it's true. For one thing, as has just been pointed out tonight, we both have the habit of getting sent to Sacramento to clean up after the Browns. *[Laughter]*

But I must say, you all look great. Maybe it's our "spruced" up surroundings—*[laughter]*—I'm ashamed of myself. Or could you be smiling because things are looking up for the Grand Old Party in California and across the country? *[Applause]* I'm told that here tonight, thanks to your support, we'll raise a million dollars for California Republicans, and what a shot in the arm that will be. *[Applause]*

I can remember when there weren't so many Republicans in California, when, not too long ago, Republicans seemed as plentiful as spring water in Death Valley. And I speak with authority, because I spent a good chunk of my life on that piece of real estate. *[Laughter]*

You know, I was in Mississippi a week or so ago, speaking of Republicans in places—believe it or not, at a fundraiser—and speaking to Republicans in Mississippi. And there was a Congressman who had been, I guess, one of the first, if not the first Congressman, now retired, that spent long years in Washington as a Republican Congressman from Mississippi. And, while I was there I learned of a story about him in his first campaign.

And he dropped in on a farm there in his district, told the farmer that he was the Republican candidate for Congress in the district. And the farmer's eyes popped

open, and his jaw dropped, and he said, "Wait right here. Just a minute." And he went running across the barnyard yelling, "Ma, Ma." And she came out, and back the two came, hand in hand. They stood in front of them and they said, "We've never seen a Republican before." *[Laughter]* Then they said, "Would you make a speech?" Well, he looked around for something that could be a dais, and the only thing he could see there was a pile of that stuff that the late Bess Truman took 35 years in getting Harry to call fertilizer—*[laughter]*—and he climbed up on it, and he made his speech, and they stuck with him. And when he stepped down, they said that was the first time they'd ever heard a Republican speech. And he said, "Well, that's all right. That's the first time I've ever given a Republican speech from a Democratic platform." *[Laughter]*

But our party is strong, and it's growing, and I'm proud to say we've got a leader in this State doing a tremendous job. And you know I'm talking about our former Lieutenant Governor and your State chairman, Ed Reinecke. We did all right last year at the top of the ticket; we'll do better in 1984. And our losses were due less to Jerry Brown than to gerrymandering. Under the Democratic reapportionment plan, the Democrats took back, by fancy map drawing, the six congressional seats that we'd won in the last two elections. Hopefully, with the qualification of the Sebastiani reapportionment plan, and its passage, Republicans can gain back the seats that we lost so unfairly in 1982.

One reapportionment victim was John Rousselot. John ran a terrific race. His wife even campaigned for him in Spanish, and he almost pulled off a great upset. But let me assure you, your loss is our gain. John Rousselot is now one of my Special Assistants, and I'm mighty pleased to have his help.

And I am pleased, also, to have another local success story working closely with us in Washington—our Senator, the good Senator from California, Pete Wilson. And let me take this opportunity to thank the loyal members of our House Republican delegation who are here with us tonight. They're wonderful, and if I could rate the Republi-

can delegation from California, it would be a 10.

Now, as I mentioned, we know what a tough job George Deukmejian has. But if anyone in California has the talent, the experience, and the determination to turn this State around, George will do it.

He's been taking the no-nonsense stands that we need on the budget, on education, and crime. He's proving the truth of Andrew Jackson's words that, "One man with courage makes a majority." George wants to make it safe for Californians to walk their streets again without having to be afraid. He said no to Prop. 13 because you won't get gun control by disarming law abiding citizens. There's only one way to get real gun control: Disarm the thugs and the criminals, lock them up, and if you don't actually throw away the key, at least lose it for a long time.

George always wants to help working people keep their earnings safe from all those who would bleed them dry with higher and higher taxes. I note that there have been some complaints about and against Prop. 13—anything to get more tax dollars. Maybe you could help George by sending a message: Tell them the people approved Prop. 13, the people still want Prop. 13, and the people will defend Prop. 13.

I think I can sympathize with what George is up against. When I was here a year ago, I said that we were in an epic contest with the proponents of "No," the people who offer the politics of no growth, no take-home pay, no incentives to work or save.

We arrived in Washington to find an economic calamity dumped in our laps—spending increasing at an annual rate of 17 percent, double-digit inflation, record interest rates, and a tax system pushing working families into higher brackets faster than they could earn and save.

It took us nearly the entire first year to get our program approved and, even then, the tax cut had to be watered down. We had proposed a 30-percent cut; they gave us 25 percent, and they delayed the start of that for several months.

The morning after the tax cut passed, the liberals there in the Congress started an-

nouncing that the program had failed. I borrowed their favorite word, "fairness," and said that fairness required that they give us a little more time, like 24 months instead of 24 hours. And they made predictions then, more predictions than the TV weatherman. *[Laughter]* They said our program would guarantee double-digit inflation. They had left us an inflation rate of 12.4 percent. That has been knocked down to 3.5 percent for the last year, the lowest in 10 years. And for the last 6 months, it's been less than 2 percent. They said the program would push interest rates to a new record. Well, the prime rate was 21.5 percent when they left town. Today, it's 10.5 percent.

And then they got mean. They tried to cap the last installment of your tax cut. But yesterday morning, 55 to 45, the Republican Senate voted to give you the full 10-percent cut, beginning tomorrow morning. And it will be followed by indexing in 1985. If they had their way, they'd tax motherhood and apple pie.

A recovery is gaining momentum, and the economy is beginning to sparkle. Tax rates have been cut. Real wages are improving. Retail sales are up. Productivity has reversed its decline. The stock market has surged into new high ground. Venture capital investments have reached record levels. Production is increasing in one industry after another. More and more workers are being called back. And the words of Al Jolson are true today, "You ain't seen nothing yet." How come they don't call it Reaganomics anymore? *[Laughter]*

You know, I never called it that. That wasn't my choice. I've always thought that what we put in operation there was the people's program, your program. And anyway, Reaganomics, that was better than taxonomics, and the last thing we need is more taxes for more spending. And if they can't get that straight, then I am prepared to veto their budget-busting appropriation bills, again and again and again.

Tax rates affect prices for working, saving, and investment. And when you raise the price of those productive activities, you get less of them and more activity in the underground economy and the tax shelters.

And if you're in business, you know you can't force the public to buy products that aren't selling by raising the price. Too many in Washington and across the country still believe that we can raise more revenues from the economy by making it more expensive to work, save, and invest in the economy.

Do you know that since the capital gains tax rate was cut in 1978, Federal revenues from that tax have gone up in spite of the lower rate? And since the top rate of personal income tax was lowered from 70 to 50 percent in 1981, we're collecting more revenues from this consolidated 50-percent tax bracket than we were when it was 70 percent. And that's the secret of good taxes. As I've said before, we didn't run up a trillion dollar debt because you're not taxed enough; we ran up that debt because government spends too much.

Now, we're not asking the Congress to do what's easy. We're asking them, Democrats and Republicans alike, to work with us to do what's right.

Doing what's right includes standing up for a strong national defense, making America second to none. We believe that what occurred during the last decade—when the Soviets raced ahead militarily and we stood still—was wrong. We believe it's immoral to ask the sons and daughters of America to protect this land with second-rate equipment and weapons that won't work.

We're not belligerent people. We've always sought peace. We occupy no country, we build no walls to keep our people in, we have no armies of secret police to keep them quiet. But we must understand, and our foes will do everything they can to divide us and to undermine our will. To keep our families safe, to keep our country at peace, the enemies of democracy must know that America has the courage to stay strong.

The security of the country, of course, depends on more than weapons. We must have the will to meet the challenges to our vital interests. What's going on now in Central America, only a few hundred miles from our shores, directly affects the United States' national security.

Forty percent of all of our foreign trade and two-thirds of our petroleum imports

pass through the Panama Canal and the sealanes of the Caribbean, where we see construction in Cuba of a naval base from which Soviet nuclear submarines can now operate, a Soviet capacity for air reconnaissance over our eastern coast from Cuban bases, the building of an enormous war machine in Nicaragua aided by thousands of Cuban military personnel, sophisticated weapons, including Soviet-made tanks and arms from Cuba, the Soviet Union, the Eastern bloc, Libya, and the PLO to name a few.

And the Soviet-Cuban-Nicaraguan war machine is not being built to make Central America safe for democracy. It's not being built to pursue peace there or economic and social reform. It's being built to subvert the peace and impose communism by force, and not just in El Salvador or Nicaragua, but by their own boast, their open declaration, in all of Central America.

We've had a team of Congressmen come back just recently. They'd gone down there, both countries, to see what was going on for themselves. And many of them came to me personally when they got back to tell me they'd gone down with an idea that, maybe, we were wrong. They came back completely converted. They talked to young men, barely boys, in El Salvador, enlisting in the military. And when they said, "Well, why are you doing this," they said, "To defend our country. We love our country." And they talked to leaders on the other side and heard them boast that this was not a revolution in one country; this was a revolution for all of Central America. And they made open threats of where they were going and how they were going to get there.

I appreciate the sincere motives of those who point out the faults of our friends and insist on reforms. But El Salvador is trying to build democracy. El Salvador did hold elections and, under threat of death, a much greater percentage of their people voted than vote in our country where we make it so easy to vote. They stood for hours in line waiting for the opportunity to vote after being told by the guerrillas—their slogan was: "Vote today, and die tonight."

I agree with those who insist on economic

as well as military assistance to Central America. We're giving more than three times as much economic aid as we are military aid. The main point is United States security, the safety of American citizens. And that's why Central America matters so much. Either we pay a modest price now so we can prevent a crisis, or we listen to the do-nothings and risk an explosion of violence that will bring real danger to our own borders.

We must not turn our backs on our friends. We must not permit dictators to ram communism down the throats of innocent people in one country after another. If we're to be successful in helping the forces for democracy, then we must have the full financial package that we requested. And if we don't get what we asked for, we can't do the job, and we leave the door open to more subversion.

You know, the Soviet paper Pravda recently said something that I actually support. It said that peace in Central America is possible only on the basis of respect for the right of each people to choose itself its way of life. I would only add this: The two perfect places to begin are Cuba and Nicaragua, where free and democratic elections are not permitted.

To those dictators, we say, "Prove to the world that your system is legitimate. Prove you're not afraid of your own people. Let them vote. And while you're at it, put down your guns. Permit a free press. Stop harrasing your priests. And then we'll see if they truly enjoy your repression and regimentation, or if they'd rather have a new life with dignity and opportunity and freedom."

You know, I've taken up the practice of learning jokes that are being told by the Russian people among themselves which reveal their cynicism about their own system. One of the more recent ones is—this is the one that they're telling—that if their government would permit another political party, they'd still be a one party country, because everybody would join the opposition. *[Laughter]*

And the latest one I have to tell you is that a commissar went out to one of the collective farms, stopped one of the workers there. And he said to this worker, he said, "Well, how are things out there? Every-

thing all right?" "Oh," he said, "oh, certainly, sir." He says, "I never hear a complaint." Well he said, "How about the crops?" "Oh," he said, "the crops have never been better." "How about potatoes?" "Potatoes," he said, "if we piled them all up in one pile, they'd reach the foot of God." And the commissar says, "Just a minute, this is the Soviet Union. There is no God." He said, "That's all right. There are no potatoes." *[Laughter]*

But what we have in this country is the most precious gift that God has given to mankind. Our country, more than any other, has been blessed with liberty and abundance. And only a few years ago, some people were counting America out, claiming that our best days were behind us, that our country was in decline. Well, that pessimism is something else that we've turned around. We have an agenda for growth and security, and we can be proud of what we're doing.

Let us tell the people who we are and what we stand for. We're the party that fights for lower taxes, more opportunity, stable prices, a sound dollar, and peace through strength. We believe that standing up for America means also standing up for the God who has so blessed our land.

Lincoln charted our course when he said, "I am not bound to win, but I am bound to be true. Let us have faith that right makes might and in that faith let us to the end dare to do our duty as we understand it."

We're rebuilding America. We've already reduced government paperwork that was required of our people, of all of you, by 300 million hours. We have set a goal of reducing the size of nondefense—the nondefense part of government in 3 years by 75,000 workers. We're a little ahead of schedule. We're up to 65,000 already. And we've eliminated 2,200 government publications. And I hope you ladies didn't really need that book of instructions to tell you that there'd be a stink in your kitchen if you didn't keep the sink clean. We think you could figure that out by yourself without government help. *[Laughter]*

We're instituting modern business practices that are commonplace in the private sector but revolutionary in government.

They will begin to pay off by the billions of dollars in savings over the next few years.

With faith in God and in each other, we can make this wonderful land all that we ever dreamed that she could be. And I just have to conclude by telling you this: that in these trips that I've made to some schools, and seeing these wonderful young people of ours, a young teacher told me how he resolved a problem. He was having trouble way down in the elementary grade in the patriotic ceremonies and saluting the flag, about explaining exactly where they put their right hand. And then modern style came to his rescue. He just told them put it on the alligator. [Laughter]

So, thank you all for what you're doing.

Thank you for being here, and God bless you.

Note: The President spoke at 7:16 p.m. at the dinner, which was held in the "Spruce Goose" Dome, a specially constructed clear-span aluminum dome, which berths the "Spruce Goose" seaplane, the largest plane ever built. The "Spruce Goose" Dome and Exhibit are located on Pier J in Long Beach Harbor.

Following the dinner, the President went to Rancho del Cielo, his ranch near Santa Barbara, Calif., for the Fourth of July holiday weekend.

As printed above, this item follows the transcript of the President's remarks as released by the Office of the Press Secretary.

Statement on the 15th Anniversary of the Signing of the Treaty on the Non-Proliferation of Nuclear Weapons

July 1, 1983

Fifteen years ago today, the United States, the Soviet Union, the United Kingdom, and 58 other nations signed the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). This treaty, now with 119 parties, has the widest adherence of any arms control treaty in history. Both NATO and Warsaw Pact countries, nuclear-weapon states and nonnuclear-weapon states, developed and developing countries, and countries from every region of the globe have committed themselves to the NPT and its objectives.

Nuclear-weapon states party to this treaty have agreed not to assist nonnuclear-weapon states to acquire nuclear explosives, and nonnuclear-weapon states have pledged not to acquire nuclear explosives. These mutual pledges recognize that the further spread of nuclear weapons threatens all nations.

The NPT also calls for parties to assist in the development of the peaceful uses of nuclear energy, especially in nonnuclear-weapon states which are parties to the treaty. The peaceful uses of nuclear energy are important to the well-being of many

other peoples, and the United States takes its obligations for cooperation in this area seriously. We have long been in the forefront of those providing technical assistance and other cooperation in the nuclear field, and we are committed to continuing such cooperation under adequate safeguards.

The United States also recognizes its obligation under the NPT to pursue negotiations in good faith on effective measures relating to nuclear disarmament. This is an issue of major concern to all countries. I am personally committed to take whatever steps are necessary to increase the likelihood of real, substantive progress towards an agreement involving significant reductions in U.S. and Soviet strategic nuclear arsenals to equal more stable levels and that would be in the national security interests of both sides. The United States will also spare no effort to negotiate an equitable and verifiable agreement on intermediate-range nuclear forces that would reduce the risk of war in Europe and globally.

The United States played a major role in the negotiation of the NPT, and five U.S. Presidents over its lifetime have strongly

supported the treaty as a cornerstone of the international effort to prevent the spread of nuclear explosives to additional countries. As we plan for the important NPT Review Conference in 1985, the United States will continue to strive to strengthen the viability of this treaty. I urge all countries that have not yet done so to join the growing consensus against the spread of nuclear explosives by adhering to the NPT.

In July 1981 I outlined a policy to prevent the proliferation of nuclear explosives, and declared that this issue was critical to future international peace and regional and global stability. But if we are to succeed in halting the spread of nuclear weapons, the nations of the world must work together. As I have announced on previous occasions, one key step would be for nuclear suppliers to agree on requiring comprehensive safe-

guards as a condition for any significant new nuclear supply commitment. This is not a policy that denies nuclear assistance, but rather one that conditions assistance on a reasonable demonstration that a nonnuclear-weapon state's entire program is dedicated to the peaceful use of nuclear energy. This demonstration has already been made by the 116 nonnuclear-weapon states that are parties to the NPT. It is my hope that agreement can be reached soon on this measure to strengthen the international nonproliferation regime.

On this the 15th anniversary of the opening of the NPT for signature, all states should rededicate themselves to achieving the purposes of this important treaty and to ensuring its continued vitality. That is both our shared responsibility and a contribution to peace for future generations.

Appendix A—Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this book.

January 2

Following his stay in Palm Springs, Calif., the President went to inspect the flood damage in Monroe, La. He then returned to Washington, D.C.

January 3

The President met at the White House with:

- members of the White House staff;
- a group of his advisers, to discuss the budget;
- several Members of Congress, to discuss the budget.

In the evening, the President hosted a dinner at the White House for the bipartisan congressional leadership.

January 4

The President met at the White House with:

- a group of Republican Senators, to discuss the budget;
- members of the White House staff;
- the Cabinet Council on Human Resources, to discuss health issues.

January 5

The President met at the White House with members of the White House staff.

January 6

The President met at the White House with:

- members of the White House staff;
- a group of his advisers, to discuss the budget;
- the Vice President, for lunch;
- Members of Congress, to discuss the budget;
- the Cabinet Council on Economic Affairs, to discuss employment initiatives.

In the evening, the President hosted a dinner at the White House for the new Members of Congress.

January 7

The President met at the White House with:

- members of the White House staff;
- Hans-Jochen Vogel, Social Democratic Party candidate for Chancellor of the Federal Republic of Germany;
- a group of Senators, to discuss crime control legislation;

- former Secretary of State Henry A. Kissinger and Assistant to the President for National Security Affairs William P. Clark;

- a group of his advisers, to discuss the budget.

In the afternoon, the President left the White House for a weekend stay at Camp David, Md.

January 9

The President returned to the White House from Camp David.

January 10

The President met at the White House with:

- members of the White House staff;
- the Vice President, Ambassador Philip C. Habib, the President's Special Representative for the Middle East, Secretary of State George P. Shultz, Secretary of Defense Caspar W. Weinberger, and members of the White House staff, to discuss the situation in the Middle East;
- the National Security Council;
- Governor Thomas Kean of New Jersey.

January 11

The President declared a major disaster for the State of Louisiana as a result of severe storms and flooding, beginning on or about December 19, 1982, which caused extensive property damage.

January 12

The President met at the White House with:

- members of the White House staff;
- the Cabinet Council on Economic Policy, to discuss employment and tax initiatives for education.

The White House announced that the President accepted with regret the resignation of J. Upsher Moorhead as Special Assistant to the President for private sector initiatives, effective January 17. Michael P. Castine, who is a Deputy Director of the Office of Private Sector Initiatives, will serve as Acting Director until a successor to Mr. Moorhead is named.

The President transmitted to the Speaker of the House and the chairman of the Senate Foreign Relations Committee a report on world food security reserves.

January 13

The President met at the White House with:

- members of the White House staff;
- Mayor Jacques Chirac of Paris, France;

Appendix A

—the Vice President, for lunch.

January 14

The President met at the White House with:
—members of the White House staff;
—the National Security Council.

January 17

The President met at the White House with:
—members of the White House staff;
—Ambassador William E. Brock, U.S. Trade Representative, and a group of agricultural, business, and labor leaders, to discuss U.S. trade policies in connection with the visit of Prime Minister Yasuhiro Nakasone of Japan.

The President hosted a reception at the White House for Republican House and Senate staff members.

January 18

The President met at the White House with:
—members of the White House staff;
—the Cabinet, to discuss the recommended bipartisan solution to the social security problem and the budget.

January 19

The President met at the White House with members of the White House staff before departing for his trip to Chicago, Ill.

January 20

The President met at the White House with:
—members of the White House staff;
—the Vice President, for lunch.

January 21

The President met at the White House with:
—members of the White House staff;
—the Cabinet Council on Economic Affairs, to discuss education issues;
—representatives of right-to-life organizations.

The White House announced that President António dos Santos Ramalho Eanes of Portugal has asked that his state visit to the United States, scheduled to begin February 9, be postponed in view of the current political situation in Portugal. The White House also announced that it will work through normal diplomatic channels to arrange a mutually convenient time for the visit to take place.

The President left the White House for a week-end stay at Camp David, Md.

January 22

The President spoke by telephone from Camp David with Joe Gibbs, head coach of the Washington Redskins, and Tom Landry, head coach of the Dallas Cowboys, following the Redskins victory in the National Football Conference championship game in Washington, D.C.

January 23

The President returned to the White House from Camp David, Md.

January 24

The President met at the White House with:
—members of the White House staff;
—members of the President's Economic Policy Advisory Board.

January 25

The President met at the White House with:
—members of the White House staff;
—Republican congressional leaders;
—the National Security Council.

The President announced his intention to nominate Secretary of the Treasury Donald T. Regan to be Governor of the African Development Bank for a term of 5 years. This is a new position.

The President announced his intention to nominate W. Allen Wallis, Under Secretary of State for Economic Affairs, to be Alternate Governor of the African Development Bank for a term of 5 years. This is a new position.

January 26

The President met at the White House with:
—members of the White House staff;
—Minister of Foreign Affairs Hans-Dietrich Genscher of the Federal Republic of Germany, the Vice President, Secretary of State George P. Shultz, Assistant to the President for National Security Affairs William P. Clark, Arthur F. Burns, U.S. Ambassador to the Federal Republic of Germany, and Peter Hermes, German Ambassador to the United States;
—Mayors George Israel of Macon, Ga., and Margaret Hance of Phoenix, Ariz., members of the U.S. Conference of Mayors.

January 27

The President met at the White House with:
—members of the White House staff;
—members of the European Democratic Union;
—members of the President's Task Force on Victims of Crime, to receive the Task Force's final report.

The President transmitted to the Congress the 20th annual employment and training report.

The President declared a major disaster for the State of Washington as a result of severe storms, high tides, and flooding, beginning on or about December 14, 1982, which caused extensive property damage.

The White House announced that the President has invited Prime Minister Kåre Willoch of Norway to make an official working visit to the

United States. The Prime Minister has accepted and will meet with the President at the White House on February 18.

January 28

The President met at the White House with:

- members of the White House staff;
- the Vice President and Secretary of State George P. Shultz, prior to the Vice President's departure for Europe;
- Republican congressional leaders;
- the National Security Council;
- Republican Members of Congress, to discuss the fiscal year 1984 budget;
- members of the Vietnam Veterans Leadership program.

The President attended a reception in the Roosevelt Room for Secretary of Transportation Drew L. Lewis, who is leaving office on February 1.

The President hosted a reception in the Residence for members of the U.S. Conference of Mayors.

The White House announced that the President has invited Prime Minister J. Malcolm Fraser of Australia to make an official working visit to the United States. The Prime Minister has accepted the invitation and will meet with the President in San Francisco, Calif., on March 5. Following the meeting and a working luncheon, the Prime Minister will travel to Washington, D.C., with the President for meetings with other administration officials.

January 29

In the evening, the President attended the Alfalfa Club dinner at the Capital Hilton Hotel.

January 31

The President met at the White House with:

- members of the White House staff;
- bipartisan congressional leaders, including Senators Strom Thurmond of South Carolina, Howard H. Baker, Jr., of Tennessee, and Robert C. Byrd of West Virginia, and Speaker of the House of Representatives Thomas P. O'Neill, Jr., and Representatives James C. Wright of Texas and Robert H. Michel of Illinois;
- Members of Congress.

The President appointed Darrell M. Trent as Chairman of the U.S. Delegation to the United States-European Civil Aviation Conference Negotiations on Multilateral Pricing and announced his intention to nominate Mr. Trent for the rank of Ambassador. Mr. Trent is Deputy Secretary of Transportation and has served in that position for the last 2 years. He will continue with his present responsibilities at the Department of Transportation.

February 1

In the evening, the President attended a reception for the Eagles, Republican Party contributors, at the Organization of American States building.

February 2

The President met at the White House with:

- members of the White House staff;
- the Cabinet, to receive a report from Secretary of Agriculture John R. Block on the agricultural credit outlook and commodity distribution, as well as a report on the Combined Federal Campaign.

The President met in the Oval Office with a group of six Afghans who were visiting the United States under the sponsorship of various private groups. They are meeting with private groups and with Members of Congress during their visit. The Afghans told the President of the Soviet atrocities in Afghanistan, especially the massacre of 105 Afghan villagers in Lowgar Province in September. The group consisted of Mir Ne' Matollah Syeed Mortaza, Habib-Ur-Rehman Hashemi, and Gol-Mohammad, who are villagers from Lowgar Province, Omar Babrakzai, a former judge, Mohammad Suafoor Yousofzai, a resistance leader, and Farida Ahmadi, who was a medical student in Kabul.

The White House announced that the President and Secretary of State George P. Shultz have asked Ambassador Jeane J. Kirkpatrick, U.S. Representative to the United Nations, to undertake a brief visit to Central America. She will visit capitals there as a followup to the President's visit to the region in December 1982. From February 3 to February 12, she will visit Panama, Costa Rica, Honduras, El Salvador, and Venezuela.

The President transmitted to the Congress the 14th annual report of the National Science Board and the first annual report of the Tourism Policy Council.

February 3

The President met at the White House with members of the White House staff.

In an Oval Office ceremony, the Boy Scouts of America presented to the President its annual report to the Nation. The President also received his membership card as the honorary president of the organization.

In the evening, the President attended a reception in the Roosevelt Room for outgoing Secretary of Health and Human Services Richard S. Schweiker.

The White House announced that the President has invited Prime Minister Rudolphus Lubbers of the Netherlands to make an official work-

ing visit to the United States. The Prime Minister has accepted the invitation and will meet with the President at the White House on March 15.

The White House announced that at the request of Prime Minister Malcolm Fraser of Australia, the Prime Minister's working visit to the United States and his meeting with the President, scheduled for March 5, have been canceled. The reason for the cancellation is that the Australians have scheduled elections on that date. The question of a future meeting of the President and the Prime Minister will be a subject of discussion between the two governments.

The President transmitted to the Congress the following reports:

- the 1980 and 1981 annual reports of the National Advisory Council on Adult Education;
- the 1981 annual report on pipeline safety;
- the 1981 annual report of the Department of Labor and the Department of Health and Human Services on their activities under the Occupational Safety and Health Act of 1970;
- the 1982 national housing production report.

February 4

- The President met at the White House with:
- members of the White House staff;
 - participants in the Senate youth program;
 - Harry N. Walters, Administrator, and Everett Alvarez, Jr., Deputy Administrator, the Veterans Administration, Senators Strom Thurmond of South Carolina and Alan K. Simpson of Wyoming, Representatives Sonny Montgomery of Mississippi and John Paul Hammerschmidt of Arkansas, and leaders of veterans service organizations;
 - Senator Rudy Boschwitz of Minnesota.

In the afternoon, the President left the White House for a weekend stay at Camp David, Md.

February 5

The White House announced that the President has invited Premier Zhao Ziyang of China to make an official visit to the United States in 1983. The Premier has accepted the invitation and will meet with the President on a date to be mutually agreed upon.

February 6

The President returned to the White House from Camp David, Md.

The President celebrated his birthday with a group of friends at a private dinner in the Residence.

February 7

- The President met at the White House with:
- members of the White House staff;
 - newly elected Republican Members of the House of Representatives;

- representatives of the flood victims in Monroe, La.

The White House announced that the appointment of Rita Lavelle as Assistant Administrator for Solid Waste and Emergency Response of the Environmental Protection Agency was terminated today at the direction of the President.

February 8

The President met at the White House with members of the White House staff.

February 9

- The President met at the White House with:
- members of the White House staff;
 - the President's Commission on Strategic Forces and the Special Counselors to the Commission, to receive an interim report on the Commission's work.

The President declared a major disaster for the State of California as a result of severe storms, high tides, wave action, mudslides, and flooding, beginning on January 21, which caused extensive property damage.

February 10

- The President met at the White House with:
- members of the White House staff;
 - the Cabinet Council on Economic Affairs, to discuss regulations issued pursuant to the Davis-Bacon Act;
 - chief executive officers of businesses, to discuss economic policy and international trade.

February 11

- The President met at the White House with:
- members of the White House staff;
 - the Joint Chiefs of Staff, for a working luncheon.

February 14

- The President met at the White House with:
- members of the White House staff;
 - Representatives Jack Kemp of New York, Jerry Lewis of California, C. W. Bill Young of Florida, and Mickey Edwards of Oklahoma, to discuss funding for the International Development Association.

In the evening, the President and Mrs. Reagan attended a dinner at the Washington residence of Senator and Mrs. Mark O. Hatfield of Oregon. Other dinner guests included authors who had written about the Presidency.

February 15

- The President met at the White House with:
- members of the White House staff;
 - the Republican congressional leadership.

February 16

- The President met at the White House with:
- members of the White House staff;

- a bipartisan group of Members of Congress, to discuss the Caribbean Basin Initiative;
- a bipartisan group of Members of Congress, to discuss tuition tax credits.

February 17

- The President met at the White House with:
- members of the White House staff;
 - a group of his foreign policy advisers;
 - Anne M. Gorsuch, Administrator of the Environmental Protection Agency;
 - the Vice President, for lunch;
 - Harav Ovadia Yoseph, chief rabbi of Israel;
 - officials from New York City, the Urban Mass Transportation Administration, IBM, and the Vera Institute of Justice, to discuss Project Transport, a partnership between the public and private sectors to provide handicapped people with transportation to their jobs.

In the evening, the President hosted a reception in the Blue Room for State and local officials.

February 18

The President met at the White House with members of the White House staff.

The White House announced that the President has invited Prime Minister Edward Philip George Seaga of Jamaica to the White House on February 22. The Prime Minister will receive the American Friendship Medal from Dr. Robert J. Miller, president of the Freedoms Foundation, at Valley Forge. Prior to the presentation, President Reagan and Prime Minister Seaga will meet to discuss issues of mutual interest. The President previously met with the Prime Minister in Kingston on April 7, 1982, and in Washington on January 28, 1981.

In the evening, the President attended the American Conservative Union dinner at the Sheraton Washington Hotel.

February 22

- The President met at the White House with:
- members of the White House staff;
 - the Cabinet Council on Commerce and Trade, to discuss trade policy;
 - a bipartisan group of Members of Congress, to discuss proposed legislation to establish Radio Marti;
 - Representative Hamilton Fish, Jr., of New York.

The President hosted a reception in the Residence for members of Conservative Political Action Conference organizations.

February 23

- The President met at the White House with:
- members of the White House staff;
 - Israeli Ambassador to the United States Moshe Arens;

- Mário Soares, Portuguese Socialist Party leader and vice president of Socialists International.

The President amended the major disaster declaration of February 9 for the State of California. The President's action will permit the use of Federal funds in relief and recovery efforts in certain areas of the State which suffered damages beginning on November 27, 1982.

February 24

- The President met at the White House with:
- members of the White House staff;
 - the Vice President, for lunch;
 - the Cabinet Council on Natural Resources and Environment, to discuss natural gas de-regulation legislation;
 - Representative Phil Gramm of Texas.

The President hosted a reception on the State Floor for members of the American Legion Women's Auxiliary.

February 25

- The President met at the White House with:
- members of the White House staff;
 - the National Security Council.

February 28

- The President met at the White House with:
- Members of Congress;
 - members of the White House staff;
 - members of the National Governors' Association.

The President left the White House and traveled to California, where he stayed for the remainder of the week. Upon arrival in California, the President went to Rancho del Cielo, his ranch near Santa Barbara.

March 1

The President and Mrs. Reagan went to Santa Barbara Airport in California for the official welcoming ceremony for Queen Elizabeth II of the United Kingdom and Prince Philip. Following the arrival ceremony, the Queen and Prince Philip went to Rancho del Cielo, the President and Mrs. Reagan's ranch near Santa Barbara, for lunch. Plans for a welcoming reception at Santa Barbara Harbor and horseback riding at the ranch were canceled due to inclement weather.

The President transmitted to the Congress a report on the railroad retirement system pursuant to the provisions of section 1126(a) of the Omnibus Budget Reconciliation Act of 1981.

The White House announced that the President has invited President Kenneth Kaunda of Zambia to make an official working visit to the United States. President Kaunda has accepted the invitation and will meet with President Reagan at the White House on March 30.

The President transmitted a report to the Speaker of the House and the chairman of the Senate Foreign Relations Committee concerning the late transmittals of certain international agreements.

March 2

The White House announced that the President has invited King Birendra of Nepal to make a state visit to the United States. His Majesty has accepted the invitation and will meet with the President in Washington during the fall.

March 3

The President left Rancho del Cielo, his ranch near Santa Barbara, Calif., for a trip to Los Angeles, where he addressed a luncheon meeting of the U.S. Olympic Committee. En route to Los Angeles, the President viewed from the helicopter the areas damaged by winds, rain, and tornadoes.

In the evening, the President and Mrs. Reagan hosted a dinner honoring Queen Elizabeth II of the United Kingdom and Prince Philip at the M. H. de Young Memorial Museum in San Francisco. The President and Mrs. Reagan remained overnight in San Francisco at the St. Francis Hotel.

March 4

The President went to the San Francisco Hilton in California, where he addressed a luncheon meeting of the Commonwealth Club.

In the afternoon, the President met in his suite at the St. Francis Hotel in San Francisco with Secretary of State George P. Shultz, Secretary of Defense Caspar W. Weinberger, and Secretary of the Treasury Donald T. Regan for a wide-ranging overview of foreign policy, including defense policy and international economics.

In the evening, the President and Mrs. Reagan left the St. Francis Hotel and went to Pier 50, where the royal yacht *Britannia*, was moored in San Francisco Harbor. They boarded the yacht for a dinner hosted by Queen Elizabeth II of the United Kingdom and Prince Philip and a small party commemorating the Reagan's 31st wedding anniversary, which followed the dinner. The President and Mrs. Reagan remained overnight on the *Britannia* as guests of the Queen.

March 7

The President met at the White House with:

- members of the White House staff;
- representatives of the National Coalition for Peace Through Strength;
- Members of Congress and Mayors William D. Schaefer of Baltimore and George Voinovich of Cleveland, to discuss proposed enterprise zone employment and development legislation;

- winners of the Annual Science Talent Search, sponsored by Westinghouse Corp.;
- present and past officers of the National League of Cities.

The President transmitted to the Congress the third annual report of the Department of Education and the 16th annual report of the U.S.-Japan cooperative medical science program covering fiscal year 1982.

The President requested the Congress to provide an additional appropriation of \$8.5 billion in fiscal year 1983 for increased U.S. participation in the International Monetary Fund. This request reflects decisions reached at recent meetings of the Interim Committee of the International Monetary Fund to increase the Fund's resources. This increase is necessary to meet demands for temporary official balance-of-payments financing and to finance IMF member drawings on the Fund.

March 8

The President met at the White House with:

- Secretary of Defense Caspar W. Weinberger, to discuss the Defense Department's updated report, "Soviet Military Power";
- bipartisan congressional leaders, to discuss Central America.

The White House announced that the President has invited President Osvaldo Hurtado Larrea of Ecuador to make an official working visit to Washington, D.C. President Hurtado has accepted the invitation and will meet with President Reagan at the White House on April 8.

March 9

The President met at the White House with:

- members of the White House staff;
- Republican Members of Congress, to discuss pending social security and job programs legislation;
- members of the National Federation of Republican Women;
- Minister of Foreign Affairs Emilio Colombo of Italy.

March 10

The President met at the White House with:

- members of the White House staff;
- Ambassador Morton I. Abramowitz, U.S. Representative for Mutual and Balanced Force Reductions Negotiations;
- Everett Ellis Briggs, U.S. Ambassador to Panama;
- officers of the American Medical Association, to discuss health care legislation;
- Members of the House of Representatives, to discuss House approval of social security legislation;
- Gen. Bernard W. Rogers, U.S. Army, Supreme Allied Commander, Europe.

In an Oval Office ceremony, the President participated in the presentation of the All-America Cities Awards to eight cities. The awards, sponsored by the Citizens Forum on Self-Government/National Municipal League, were presented to Mayors Louis D. Belcher of Ann Arbor, Mich.; Charles B. Markham of Durham, N.C.; Henry Cisneros of San Antonio, Tex.; Gordon Bricken of Santa Ana, Calif.; Donna Born of Santa Rosa, Calif.; Winfield Moses, Jr., of Fort Wayne, Ind.; Sue Harris of Salem, Oreg.; and Father Paul Goodland of Ames, Iowa.

The President hosted a reception on the State Floor for members of the National Newspaper Association.

March 11

The President met at the White House with:

- members of the White House staff;
- Republican sophomore Members of the House of Representatives;
- leaders of the National Conference of State Legislatures.

The President left the White House for a week-end stay at Camp David, Md.

March 13

The President returned to the White House from Camp David.

March 14

The President met at the White House with:

- members of the White House staff;
- a bipartisan group of Members of Congress, to discuss proposed crime control legislation;
- Minister of Foreign Affairs Yitzhak Shamir of Israel, Secretary of State George P. Shultz, and Ambassador Philip C. Habib, the President's Special Representative for the Middle East;
- State and local officials.

March 15

The President met at the White House with:

- members of the White House staff;
- Senate Majority Leader Howard H. Baker, Jr., and Senator Pete V. Domenici of New Mexico;
- the Cabinet Council on Legal Policy, to discuss proposed crime control legislation;
- the executive committee of the National Association of Attorneys General, to discuss proposed crime control legislation;
- a bipartisan group of Members of the House of Representatives, to discuss the nuclear freeze resolution;
- Reverend Jerry Falwell.

The White House announced that at the request of the President, the Vice President has accepted the invitation of the Canadian Government to make an official visit to Ottawa on

March 23-24. The Vice President's visit will continue the consultations among NATO allies on international political, economic, and security issues. The visit also will provide an opportunity for the Vice President, Prime Minister Pierre Elliott Trudeau of Canada, and other top officials to review the state of bilateral relations.

March 16

The President met at the White House with:

- members of the White House staff;
- Minister of Foreign and Expatriates Affairs Elie Salem of Lebanon;
- Republican Members of Congress, to discuss proposed reorganization of Federal trade functions;
- Attorney General William French Smith.

The President spent part of the afternoon horseback riding at the Park Service training facility at Rock Creek Park.

The President announced his intention to appoint Secretary of Housing and Urban Development Samuel R. Pierce, Jr., as Chairman of the Interagency Committee for the Purchase of United States Savings Bonds for a term of 2 years.

March 17

The President met at the White House with members of the White House staff.

The President attended a St. Patrick's Day luncheon hosted by Speaker of the House of Representatives Thomas P. O'Neill, Jr., at the Capitol.

March 18

The President met at the White House with:

- members of the White House staff;
- Republican Members of the House of Representatives, to discuss a House budget proposal.

The President transmitted to the Congress the third annual report pursuant to the Powerplant and Industrial Fuel Use Act of 1978.

The White House announced that the President has invited Prime Minister George C. Price of Belize to make an official working visit to the United States. The Prime Minister has accepted the invitation and will meet with the President at the White House on May 12.

The President left the White House for a week-end stay at Camp David, Md.

March 20

The President returned to the White House from Camp David.

March 21

The President met at the White House with:

- members of the White House staff;

Appendix A

—two separate groups of Republican Members of the House of Representatives, to discuss the fiscal year 1984 budget.

The President hosted a reception in the Residence for members of the National Republican Congressional Leadership Council.

The President appointed Secretary of Health and Human Services Margaret M. Heckler as a Governor of the Board of Governors of the American National Red Cross for a term of 3 years. She will succeed Richard S. Schweiker.

The White House announced that the President has invited Sultan Qaboos bin Said of Oman to make a state visit to the United States. The Sultan has accepted the invitation and will meet with the President at the White House on April 12.

The President requested the Congress to provide additional appropriations totaling \$85 million in fiscal year 1983 for increased U.S. economic and security assistance to Central America. This request reflects a decision to provide \$60 million for the Economic Support Fund, \$20 million for the military assistance program, and \$5 million for the functional development assistance program. These funds will be used to help Central American nations train their military forces and strengthen their economies and their national security.

March 22

The President met at the White House with:

- members of the White House staff;
- Republican congressional leaders;
- members of the National Alliance of Business;
- Republican Members of the House of Representatives, to discuss the fiscal year 1984 budget.

The President attended a fundraising reception for the Capitol Hill Club at the club building.

March 23

The President met at the White House with:

- members of the White House staff;
- Donald V. Seibert, chairman of the board, and William Aramony, executive director, United Way of America;
- a group of supporters of the 1980 Presidential campaign, for lunch;
- the National Security Council.

The President requested the Congress to provide additional supplemental appropriations totaling \$493.3 million in fiscal year 1983 for several key NATO-related defense initiatives. These initiatives include prepositioning of materiel in Europe, the U.S. share of host national support in the Federal Republic of Germany, and the continued production of the Pershing II missile. These supplemental appropriations would have

no effect on the budget totals proposed by the President in January, because they were included in the 1984 budget as items to be transmitted separately later.

March 24

The President met at the White House with:

- members of the White House staff;
- women Republican Members of Congress, to discuss matters of concern to women;
- members of the Republican Hispanic Council, to discuss needs of the Hispanic community;
- the Vice President, to discuss his recent visit to Canada;
- the Cabinet, to discuss Federal personnel reform;
- Matthew Huston, the 1983 Easter Seal Poster Child.

The President designated Senator John Tower of Texas as his representative to the Paris Air Show, scheduled to be held May 26 through June 5.

In the evening, the President attended the annual dinner of the Radio and Television Correspondents Association at the Washington Hilton Hotel.

March 25

The President met at the White House with:

- members of the White House staff;
- Governor Lamar Alexander of Tennessee;
- leaders of the Young Republicans organization.

The President accepted, effective immediately, the resignations of John W. Hernandez as Deputy Administrator and John A. Todhunter, Assistant Administrator for Pesticides and Toxic Substances, Environmental Protection Agency.

March 26

In the evening, the President attended the annual Gridiron Dinner at the Capital Hilton Hotel.

March 28

The President met at the White House with:

- members of the White House staff;
- winners of the White House News Photographers Association contest;
- leaders of the Morality in Media organization.

In the evening, the President and Mrs. Reagan, accompanied by Prince Albert and Princess Caroline of Monaco, went to the John F. Kennedy Center for the Performing Arts for a performance by the National Symphony Orchestra. Mrs. Reagan narrated Camille Saint-Saëns's "Carnival of the Animals" with verses of Ogden Nash.

March 29

The President met at the White House with:
—members of the White House staff;
—the Cabinet, to discuss antitrust policies and Federal Government work space management reforms.

March 30

The President met at the White House with members of the White House staff.

In the afternoon, the President left the White House for a visit to California during the Easter holiday. Upon arrival in California, the President went to the Century Plaza Hotel in Los Angeles, where he remained overnight. The following morning, the President went to Rancho del Cielo, his ranch near Santa Barbara.

March 31

The White House announced that the President has invited Prime Minister Robert Hawke of Australia to make an official working visit to Washington. The Prime Minister has accepted the invitation and will meet with the President at the White House on June 13.

April 3

The President returned to the White House from Santa Barbara, Calif.

April 4

The President met at the White House with:
—members of the White House staff;
—the Joint Chiefs of Staff.

The President attended a portion of the annual White House Easter Egg Roll on the South Lawn.

The President met in the Oval Office with James R. Bullington, U.S. Ambassador to Burundi, Wesley Egan, Jr., U.S. Ambassador to Guinea-Bissau, John Melvin Yates, U.S. Ambassador to Cape Verde, and John Davis Lodge, U.S. Ambassador to Switzerland, prior to their departure for their overseas posts.

April 5

The President met at the White House with:
—members of the White House staff;
—Christopher George Rush, the Muscular Dystrophy Association's 1983 National Poster Child, the Rush family, Jerry Lewis, national chairman of the Muscular Dystrophy Association, and other officials of the association;
—the Eisenhower fellows;
—Rachel and Carl Rossow and their family, of Ellington, Conn.

The President announced the formation of a working group on handicapped policy under the Cabinet Council on Human Resources. The Council is chaired by Secretary of Health and Human Services Margaret M. Heckler. The working group will examine policy administered by

agencies that have jurisdiction over programs that concern disabled citizens. The President expressed his desire that the working group develop policy toward the handicapped in ways that will encourage care for the handicapped within the context of the family and the community; promote integration of the handicapped into society, schools, and the workplace; and foster independence and dignity in the lives of handicapped persons.

The President transmitted to the Congress the 1982 annual report of the Federal Prevailing Rate Advisory Committee and the annual report of the National Endowment for the Arts and the National Council on the Arts covering fiscal year 1982.

April 6

The President met at the White House with Senators Pete V. Domenici, chairman, and Lawton Chiles, ranking minority member, Senate Budget Committee, to discuss the fiscal year 1984 budget.

The President and Mrs. Reagan attended a concert in the East Room featuring the Juilliard String Quartet and the Muir String Quartet. The program was the third performance of this season's "In Performance at the White House" telecasts, with violinist Itzhak Perlman as master of ceremonies. The concert was taped for later broadcast by the Public Broadcasting Service (PBS).

The White House announced that the President has invited Chancellor Helmut Kohl of the Federal Republic of Germany to make an official working visit to Washington. The Chancellor has accepted the invitation and will meet with the President at the White House on April 15. The Chancellor also will be visiting in his capacity as President of the European Council.

April 7

The President met at the White House with:
—members of the White House staff;
—a group of Republican Senators who are members of the Senate Class of 1980, for a breakfast meeting;
—State and local officials;
—the Cabinet Council on Natural Resources and the Environment, to discuss clean water policies and the coal slurry pipeline;
—Archbishop Philip Saliba of the Antiochian Orthodox Christian Archdiocese.

The President had a luncheon meeting with the Vice President in the Oval Office. During lunch, Secretary of the Interior James G. Watt came into the Oval Office and was presented with a plaster foot with a hole in it by the President. The presentation was in connection with

the controversy that stemmed from the Secretary's decision to ban "rock bands" from this year's Fourth of July festivities on the Mall in Washington, D.C. The Secretary's decision banned a performance by the Beach Boys, who had performed in Fourth of July concerts in 1980 and 1981.

In an Oval Office ceremony, the President received diplomatic credentials from Ambassadors Mariano Baptista Gumucio of Bolivia, Benjamin W. Mkapa of Tanzania, Alvaro Gomez Hurtado of Colombia, Zhang Wenjin of the People's Republic of China, and Ali Salim Bader Al-Hinai of Oman.

In the evening, the President and Mrs. Reagan hosted a reception in the State Dining Room for the James S. Brady Presidential Foundation.

The President telephoned Ron Bricker, an unemployed steelworker from the Pittsburgh, Pa., area. Mr. Bricker had given his résumé to the President on April 6, when the President visited the Control Data Institute's training program in Pittsburgh. In the telephone conversation, the President informed Mr. Bricker that a job interview had been set up for him.

The White House announced that the President has invited President Félix Houphouët-Boigny of Ivory Coast to make a state visit to the United States. President Houphouët-Boigny has accepted the invitation and will meet with President Reagan at the White House on June 7.

April 8

The President met at the White House with:

- members of the White House staff;
- women prisoners of war from World War II.

The White House announced that the President will meet with Prime Minister Felipe González Márquez of Spain at the White House on June 21. The Prime Minister's acceptance of the President's invitation to make an official working visit to the United States this June was announced on December 16, 1982.

The President left the White House for a week-end stay at Camp David, Md.

April 10

The President returned to the White House from Camp David.

April 11

The President met at the White House with:

- members of the White House staff;
- representatives of the National Federation of Independent Unions;
- Senator Strom Thurmond of South Carolina and members of his family.

The President received the "Report of the President's Commission on Strategic Forces" during a meeting with Commission members in

the Roosevelt Room. Participants in the meeting included Brent Scowcroft, Chairman of the Commission, and several members and senior counselors to the Commission.

In an Oval Office ceremony, the President met with 19-year-old John S. Wiswall of Wilmington, Del., this year's Arthritis Foundation's poster child, and actress Victoria Principal, general chairman of the foundation. During the ceremony, the President signed a proclamation proclaiming May as National Arthritis Month. Senator Steven D. Symms of Idaho, a sponsor of the Arthritis Month legislation, and his wife also attended the ceremony.

The White House announced that the President has invited Prime Minister Pierre Elliott Trudeau of Canada to make an official working visit to Washington to discuss preparations for the Williamsburg Economic Summit Conference. The Prime Minister has accepted the invitation and will meet with the President at the White House on April 28.

In the evening, the President attended a reception at the Corcoran Art Gallery for the Republican Senatorial Inner Circle, a group of Republican Party contributors.

April 12

The President met at the White House with:

- members of the White House staff;
- a group of Democratic Members of the House of Representatives, to discuss the nuclear freeze proposal;
- representatives of the financial community, to discuss the withholding tax on interest and dividends.

The President transmitted to the Congress the fiscal year 1984 budget of the District of Columbia.

The White House announced that the President telephoned President Hosni Mubarak of Egypt last night, April 11, to discuss the situation in the Middle East.

April 13

The President met at the White House with:

- members of the White House staff;
- Prime Minister R. Premadasa of Sri Lanka;
- representatives of the financial community, to discuss the withholding tax on interest and dividends.

The President spent part of the afternoon horseback riding at the Park Service training facility at Rock Creek Park.

April 14

The President met at the White House with:

- members of the White House staff;
- Yun Song Min, Minister of National Defense of the Republic of Korea;

- the National Security Council;
- representatives of the business community and the banking industry, to discuss the withholding tax on interest and dividends;
- the Cabinet Council on Economic Affairs, to discuss general revenue sharing.

The White House announced that the President has invited the President of the Commission of the European Communities, Gaston Thorn, to make an official working visit to Washington to discuss the Williamsburg Economic Summit Conference and other issues. President Thorn has accepted the invitation and will meet with President Reagan at the White House on April 21.

April 15

- The President met at the White House with:
- members of the White House staff;
 - Butrus Butrus Ghali, Minister of State for Foreign Affairs of Egypt.

The President left the White House for a weekend stay at Camp David, Md.

April 16

The President declared a major disaster for the State of Mississippi as a result of severe storms, tornadoes, and flooding, beginning on or about April 1, which caused extensive property damage.

April 17

The President returned to the White House from Camp David, Md.

April 18

- The President met at the White House with:
- members of the White House staff;
 - the Cabinet, to discuss the fiscal year 1984 budget.

In the evening, the President attended a concert by Frank Sinatra at the John F. Kennedy Center for the Performing Arts.

April 19

- The President met at the White House with:
- members of the White House staff;
 - representatives of health care groups, to discuss private sector initiatives.

The President attended a White House reception for representatives of the Building and Construction Trades Department, AFL-CIO.

April 20

- The President met at the White House with:
- members of the White House staff;
 - the President's Economic Policy Advisory Board.

The President participated in a ceremony in the Cabinet Room to announce a commemorative postage stamp in recognition of voluntarism.

The President declared a major disaster for the State of Louisiana as a result of severe storms and flooding, beginning on or about April 1, which caused extensive property damage.

The White House announced that the President asked the Congress to consider requests for supplemental appropriations for fiscal year 1983 in the amount of \$841.4 million and amended appropriations requests for fiscal year 1984 totaling \$3,209.7 million. Included in these requests are an increase of \$220 million in 1984 in military sales credit to Greece to help provide for the modernization and training of the Greek Armed Forces, \$3.1 billion in 1984 for the Department of Housing and Urban Development to fund the subsidized housing program, \$132 million in 1983 and \$120 million in 1984 for the Black Lung Disability Trust Fund to meet increased benefit and interest costs, and \$615 million in 1983 for advances to the Unemployment Insurance Trust Fund to pay for the extension of the Federal supplemental compensation program. He also transmitted reductions to requests for appropriations for fiscal year 1984 by a total of \$587.4 million to offset in part the fiscal year 1983 appropriations increases included in title I of Public Law 98-8, the employment bill. These reductions are part of the President's policy to minimize the impact of this bill on the multiyear budget deficit.

April 21

- The President met at the White House with:
- members of the White House staff;
 - the Cabinet, to discuss reports by the President's Private Sector Survey on Cost Control in the Federal Government, reorganization authority, immigration legislation, paperwork reduction, and health care for the unemployed.

The President transmitted to the Congress the fiscal year 1982 annual report of the Administration on Aging of the Department of Health and Human Services.

April 22

The President met at the White House with members of the White House staff.

The President attended a White House reception for the National Advisory Council of the Small Business Administration.

April 23

In the evening, the President attended the White House Correspondents Association dinner at the Washington Hilton Hotel.

April 25

The President met at the White House with members of the White House staff.

Appendix A

The White House announced that the President designated Richard T. McCormack, Assistant Secretary of State for Economic Affairs, to serve as a member of the Board of Directors of the Overseas Private Investment Corporation. He will succeed Robert D. Hormats.

April 26

The President met at the White House with:

- members of the White House staff;
- Representatives Robert H. Michel of Illinois, Edward P. Boland of Massachusetts, J. Kenneth Robinson of Virginia, Clement J. Zablocki of Wisconsin, Romano L. Mazzoli of Kentucky, and Dave McCurdy of Oklahoma, members of the House Permanent Select Committee on Intelligence, to discuss Central American policy;
- Governor John Sununu of New Hampshire.

April 27

The President met at the White House with members of the White House staff.

April 28

The President met at the White House with:

- members of the White House staff;
- the Cabinet, to discuss paperwork reduction, Federal procurement policy, and reorganization authority.

The President transmitted to the Congress the 17th annual report of the National Endowment for the Humanities covering fiscal year 1982.

April 29

The President met at the White House with:

- members of the White House staff;
- the National Security Council.

The President met in the Old Executive Office Building with a group of noncareer senior executives who were attending the White House Management Conference.

The President designated Edwin J. Gray as Chairman of the Federal Home Loan Bank Board, effective May 1.

In the afternoon, the President left the White House for a trip to Houston, Tex.

The White House announced that the President has invited Prime Minister Margaret Thatcher of the United Kingdom of Great Britain and Northern Ireland to make an official working visit to Washington to discuss preparations for the Williamsburg Economic Summit Conference. The Prime Minister has accepted the invitation and will meet with the President at the White House on May 27.

May 1

The President visited the Vietnam Veterans Memorial.

May 2

The President met at the White House with:

- members of the White House staff;
- members of the International Private Enterprise Task Force;
- Senator William V. Roth, Jr., of Delaware and Representative Connie Mack of Florida, who presented him with letters of support, signed by Senators and Representatives, for the third year of the Federal tax cut.

The White House announced that the President has declared a major disaster for the State of Utah as a result of severe storms, landslides, and flooding, beginning on or about April 12, which caused extensive property damage.

The White House announced that the President has declared a major disaster for the U.S. Virgin Islands as a result of severe storms, landslides, and flooding, beginning on or about April 17, which caused extensive property damage.

The President transmitted to the Congress the 1982 annual report of the Federal Council on the Aging.

May 3

The President met at the White House with:

- members of the White House staff;
- Republican congressional leaders, to discuss the MX missile, Central America, and the fiscal year 1984 budget;
- Minister of Foreign Affairs Lee Bum Suk of the Republic of Korea;
- the Cabinet Council on Human Resources, to discuss administration support for historically black colleges and universities.

The President and Mrs. Reagan hosted a reception on the State Floor for the chiefs of diplomatic missions.

The President requested the Congress to provide additional appropriations for executive branch agencies totaling \$121.1 million in fiscal year 1983. Included in this request were funds to provide for the renovation of the exterior of the Vice President's residence, additional security assistance for Egypt, the repurchase of two health maintenance organization loan defaults as required by law, and the expansion of an atomic weapons plant in Florida. This proposal also included requests of \$73 million in 1983 and \$1.4 million in 1984 for the legislative branch and the judiciary.

May 4

The President met at the White House with:

- members of the White House staff;
- Dereck Whittenburg and Sidney Lowe, Washington, D.C., members of the North Carolina State national college basketball championship team;

—Patricia Just Long, Handicapped American of the Year, and Harold Russell, Chairman of the President's Committee on Employment of the Handicapped.

May 5

The President met at the White House with:
—members of the White House staff;
—Members of Congress;
—Mrs. Barney Clark, wife of the first patient to receive an artificial heart.

The White House announced that the President has invited Prime Minister Yasuhiro Nakasone of Japan to make an official working visit to Washington to discuss preparations for the Williamsburg Economic Summit Conference. The Prime Minister has accepted the invitation and will meet with the President at the White House on May 27.

The President left the White House for a trip to Texas, Arizona, California, and Ohio.

The President declared a major disaster for the State of California as a result of an earthquake occurring on May 2, which caused extensive property damage.

May 7

The White House announced that the President called President Amin Gemayel of Lebanon to express the hope that the Cabinet and the Parliament would soon approve the agreements with Israel.

May 9

The White House announced that the President has invited Prime Minister Amintore Fanfani of Italy to make an official working visit to Washington to discuss preparations for the Williamsburg Economic Summit Conference. The Prime Minister has accepted the invitation and will meet with the President at the White House on May 26.

May 10

The President returned to the White House following a trip to Texas, Arizona, California, and Ohio.

The President met at the White House with:
—members of the White House staff;
—the National Security Council;
—a bipartisan group of Members of the House of Representatives, to discuss the MX missile.

The President announced his intention to appoint Angela M. Buchanan, Treasurer of the United States, to be Chairperson of the Interagency Committee on Women's Business Enterprise. She will succeed Rilla Moran Woods.

May 11

The President met at the White House with:
—members of the White House staff;

—John Cardinal Krol, Archbishop of Philadelphia, to discuss the situation in Poland;

—Members of Congress, to discuss the MX missile;

—the Vice President, Secretary of State George P. Shultz, and members of the White House staff, to discuss the Secretary's trip to the Middle East;

—a bipartisan group of Members of the House of Representatives, to discuss the MX missile.

The White House announced that the President has invited President François Mitterrand of France to meet with him prior to the opening of the Williamsburg Economic Summit Conference. President Mitterrand has accepted the invitation and will meet with President Reagan in Williamsburg, Va., in May.

May 12

The President met at the White House with:
—members of the White House staff;

—J. Peter Grace, Chairman of the President's Private Sector Survey on Cost Control in the Federal Government;

—the President's Foreign Intelligence Advisory Board, to receive the Board's annual report;

—Ambassador Paul H. Nitze, U.S. Representative to the Intermediate-range Nuclear Force negotiations;

—the Cabinet.

The President attended a reception in the Rose Garden for the White House fellows.

The White House announced that the President and Mrs. Reagan wrote a letter to Mrs. Billie Carol Hall of Walnut, Miss., on May 11, concerning the death of her son, Brandon, the recipient of two liver transplants.

The President announced his intention to nominate Daniel G. Amstutz to be a member of the Board of Directors of the Commodity Credit Corporation. He would succeed Seeley Lodwick. Mr. Amstutz will continue to serve as Under Secretary of Agriculture for International Affairs and Commodity Programs.

May 13

The President met at the White House with:
—members of the White House staff;

—a bipartisan group of Members of the House of Representatives, to discuss the MX missile;

—Senator Mack Mattingly of Georgia, to discuss the fiscal year 1984 budget and the Nation's economy;

—Father Virgil Blum of the Catholic League of America, who presented the President with the Pope John Paul II Award for Religious Freedom;

—Lane Kirkland, president of the AFL-CIO, and members of the Trade Union Advisory Committee to the Organization for Economic Cooperation and Development, to discuss

Appendix A

the Williamsburg Economic Summit Conference.

The President left the White House for a weekend stay at Camp David, Md.

May 15

The President returned to the White House following a weekend stay at Camp David.

May 16

The President met at the White House with:

- members of the White House staff;
- Crown Prince Hassan of Jordan;
- Joan Benoit, female winner of the Boston Marathon.

The White House announced that at the request of the President, the Vice President, accompanied by Mrs. Bush, will travel to Great Britain, West Germany, and countries of Northern Europe between June 23 and July 7. The Vice President will begin his trip by visiting London, to address the European Democratic Union and to confer with British Government leaders. Following London, he will visit Krefeld, West Germany, on June 25, for the commemoration of the Tricentennial Anniversary Year of German Settlement in America. The Vice President will then visit Norway, Sweden, Finland, Denmark, Ireland, and Iceland at the invitations of the respective Governments. During his visits to Norway, Denmark, and Iceland, the Vice President will extend to those NATO allies the consultations begun during his January European tour on political, economic, and security issues facing the alliance. The Vice President's trip also will reaffirm the close U.S. relations with the important neutral countries of Northern Europe.

May 17

The President met at the White House with:

- members of the White House staff;
- the Republican congressional leadership;
- Members of Congress.

The President requested that Congress provide additional appropriations totaling \$196.7 million in fiscal year 1983 and a reduction to the request for appropriations for fiscal year 1984 in the amount of \$946,000. Included in this request are funds for necessary increases in various activities of the Department of Justice (\$16.9 million), funds to complete construction of a new U.S. Embassy in Beirut, Lebanon, and cover the interim cost of housing the Embassy staff until the new Embassy is ready (\$30.2 million), and funds to enable the Small Business Administration to purchase defaulted government guaranteed loans and to replenish the capital of the SBA's Business Loan and Investment Fund (\$152 million). Also included in this request are requests for the Departments of Commerce, Defense, Health and

Human Services, and the Board for International Broadcasting.

May 18

The President met at the White House with:

- members of the White House staff;
- the Cabinet, for an update on the fiscal year 1984 budget outlook;
- the National Security Council;
- a bipartisan group of Members of the House of Representatives, to discuss the MX missile.

May 19

The President met at the White House with:

- members of the White House staff;
- the bipartisan congressional leadership, to discuss foreign policy issues, including Central America, and the MX missile;
- the Vice President, for lunch;
- the Cabinet Council on Legal Policy, to discuss legislation concerning individuals affected by Agent Orange, asbestos, and other toxic substances.

The President transmitted to the Congress the annual report of the Commodity Credit Corporation for the fiscal year ended September 30, 1982.

The President announced his intention to designate Van Dyck Hubbard and Margaret P. Scott as Cochairmen of the Peace Corps Advisory Council.

May 20

In the morning, the President left the White House and went to Miami, Fla., to attend a Cuban Independence Day celebration. He returned to the White House late in the afternoon.

In the evening, the President went to the John F. Kennedy Center for the Performing Arts for a tribute to Bob Hope in honor of the comedian's 80th birthday.

May 22

The President returned to the White House from Camp David, Md.

May 23

The President met at the White House with:

- members of the White House staff;
- Brent Scowcroft, Chairman of the President's Commission on Strategic Forces;
- representatives of State and municipal leagues;
- handicapped Girl Scouts from El Cajon, Calif.

The President hosted a dinner in the Residence for a bipartisan group of Members of the House of Representatives.

The White House announced that the President requested that Congress provide additional

appropriations totaling \$1.3 billion in budget authority and \$5 billion in authority to guarantee loans in fiscal year 1983 and \$45.5 million in budget authority in fiscal year 1984. Included in the 1983 request is \$1.3 billion to reimburse the Social Security Trust Funds for the costs and associated interest expense of unnegotiated social security checks as authorized by Public Law 98-21 and \$5 billion in loan guarantee authority for the Department of Housing and Urban Development to provide the Federal Housing Administration (FHA) additional authority to insure housing loans. This additional authority is needed to handle the increased demand for FHA-insured loans resulting from the improved housing market. This transmittal also includes \$47.5 million in 1984 to provide for the construction of facilities to produce a new 155 millimeter artillery shell and 1983 and 1984 appropriation requests from the legislative branch.

May 24

The President met at the White House with:

- members of the White House staff;
- recent Presidential appointees;
- former Secretary of State Henry A. Kissinger, to discuss his recent trips abroad;
- the Cabinet, to discuss women's issues.

The President transmitted to the Congress the 1982 annual report on the operation of the Alaska Railroad.

May 25

Throughout the day, the President met with administration officials and members of the White House staff to discuss the Williamsburg Economic Summit Conference.

The White House announced that the President has invited Prime Minister Margaret Thatcher of the United Kingdom of Great Britain and Northern Ireland to meet with him prior to the opening of the Williamsburg Economic Summit Conference. The Prime Minister has accepted the invitation and will meet with the President to discuss the summit on May 28 in Williamsburg, Va.

May 26

The President met at the White House with:

- members of the White House staff;
- administration officials and members of the White House staff, to discuss the Williamsburg Economic Summit Conference.

The President spoke by telephone with the parents of Lt. Comdr. Albert A. Schaufelberger III, to express his condolences on the death of their son, who was shot and killed in San Salvador, El Salvador, on May 25.

The White House announced that the President requested the Congress to provide an addi-

tional appropriation of \$564,000 in fiscal year 1983 for the U.S. Arms Control and Disarmament Agency. This request would provide communication links between Geneva, Switzerland, and Washington, D.C., to support negotiation activities at the Intermediate-range Nuclear Force negotiations and Strategic Arms Reduction Talks in Geneva.

May 27

The President met at the White House with members of the White House staff.

The President left the White House and traveled to Williamsburg, Va., to participate in the Williamsburg Economic Summit Conference.

May 28

In the morning, the President had a breakfast meeting at Providence Hall with White House staff and Cabinet members. He later took a brief tour of various sites of Colonial Williamsburg.

In the afternoon, the President went to the Governor's Palace for a series of arrival ceremonies for each summit leader. Following each arrival ceremony in front of the Palace, the President escorted the leader inside for a brief meeting and then to the rear entrance adjoining the Palace Garden for departure for his or her respective accommodations in Williamsburg. The leaders arrived in the following order: President Gaston Thorn of the European Communities, Prime Minister Amintore Fanfani of Italy, Prime Minister Yasuhiro Nakasone of Japan, Chancellor Helmut Kohl of the Federal Republic of Germany, Prime Minister Pierre Elliott Trudeau of Canada, Prime Minister Margaret Thatcher of the United Kingdom, and President François Mitterrand of France.

Later in the afternoon, the President and members of the U.S. delegation met with President François Mitterrand of France and members of the French delegation in the garden of Providence Hall. The two Presidents announced that President Mitterrand will make a state visit to the United States early in 1984.

The President then met with Prime Minister Margaret Thatcher of the United Kingdom in the garden of Providence Hall.

In the evening, the President hosted a reception and dinner at Carter's Grove Plantation for the heads of delegations, the foreign and finance ministers, and the personal representatives. He then returned to Providence Hall, where he stayed during his visit to Williamsburg.

The White House announced that the President has instructed his staff to be available for consultations with the staff of the National Education Association (NEA) to explore the possibility of a meeting between the President and Willard McGuire, president of the NEA. Mr. McGuire

Appendix A

had requested the opportunity to meet with the President to discuss merit pay for teachers.

May 29

Following breakfast at Providence Hall, the President met with members of the White House staff. He then went to the Bruton Parish Church, where he was met by the Reverend Cotesworth P. Lewis. The President and Reverend Lewis greeted President Gaston Thorn of the European Communities, Prime Minister Amintore Fanfani of Italy, Chancellor Helmut Kohl of the Federal Republic of Germany, Prime Minister Pierre Elliott Trudeau of Canada, and Prime Minister Margaret Thatcher of the United Kingdom at the church, where they attended a Prayer for Peace service.

The leaders then went to the Capitol Building and were joined by President François Mitterrand of France and Prime Minister Yasuhiro Nakasone of Japan for the first plenary session of the summit. Following the session, the leaders walked to the Raleigh Tavern for lunch. From there they went to the Williamsburg Inn, where they were joined by their ministers for the second session in the East Lounge.

In the evening, the President hosted a reception in the Palace Garden and a dinner in the Ballroom at the Governor's Palace for the heads of delegations and their foreign and finance ministers. He then returned to Providence Hall.

May 30

Following a breakfast meeting at Providence Hall with Secretaries Shultz and Regan and members of the White House staff, the President walked to the Williamsburg Inn, where he joined the heads of delegations and their ministers for a summit session in the East Lounge. The heads of delegations then went to Bassett Hall for a luncheon in the garden.

In the afternoon, the President and the other heads of delegations—except Prime Minister Margaret Thatcher of the United Kingdom, who returned to London the previous evening—went to the International Press Briefing Center at the College of William and Mary. The President read the Williamsburg Declaration on Economic Recovery on behalf of the summit participants.

The President left the College of William and Mary and returned to Providence Hall, where he met with Chancellor Helmut Kohl of the Federal Republic of Germany.

In the evening, the President and Mrs. Reagan hosted a reception and dinner at the Abby Aldrich Rockefeller Folk Art Center for the heads of delegations and guests. Following the dinner, they returned to Providence Hall.

May 31

The President and Mrs. Reagan went to the Williamsburg Inn for separate departure ceremonies for Prime Minister Yasuhiro Nakasone of Japan, Prime Minister Amintore Fanfani of Italy, Prime Minister Pierre Elliott Trudeau of Canada, and President Gaston Thorn of the European Communities. President François Mitterrand of France and Chancellor Helmut Kohl of the Federal Republic of Germany had returned to their countries on the previous evening.

Following the departure ceremonies, the President and Mrs. Reagan returned to Providence Hall. The President was interviewed by eight foreign and American journalists. He then went outside to address the summit task force employees, volunteers, and Colonial Williamsburg employees, before leaving Williamsburg and returning to Washington, D.C.

June 1

The President met at the White House with:
—members of the White House staff;
—the Cabinet, to discuss women's issues.

The President met in the Oval Office with Dr. Jerome H. Holland, chairman, and Dr. Richard Schubert, president, American National Red Cross. The Red Cross is conducting a \$12 million fundraising drive, and the President presented the officials with a personal check.

The President met in the Oval Office with the Vice President, Secretary of State George P. Shultz, Ambassador Edward L. Rowny, Special Representative for Negotiations, and Kenneth L. Adelman, Director, U.S. Arms Control and Disarmament Agency, and members of the White House staff. The purpose of the meeting was to discuss the resumption of the strategic arms reduction talks (START) in Geneva, scheduled for June 8.

The President declared a major disaster for the State of Mississippi as a result of severe storms, tornadoes, and flooding, beginning on or about May 18, which caused extensive property damage.

June 2

In the morning, the President attended memorial services at the Navy Chapel for Joseph R. Holmes, who was a member of the White House staff and coordinator of White House audio visual services.

The President left the White House and went to Camp David, Md., for the remainder of the week.

June 3

The White House announced that the President has invited the President Alvaro Alfredo Magaña Borja of El Salvador to make an official working visit to Washington. President Magaña

has accepted the invitation and will meet with President Reagan at the White House on June 17.

June 5

The President returned to the White House from Camp David, Md.

June 6

- The President met at the White House with:
 - members of the White House staff;
 - leaders of the Business-Higher Education Forum, who presented their report, "America's Competitive Challenge;"
 - Paul A. Volcker, Chairman of the Board of Governors of the Federal Reserve System.

The White House announced that the President has accepted the invitation of President Miguel de la Madrid of Mexico for a meeting in Mexico. The meeting will take place in a city in one of the northern Mexican States in August.

The President and Mrs. Reagan attended the videotaping of the fourth and final program of "In Performance at the White House," on the South Lawn of the White House. The concert, hosted by violinist Itzhak Perlman and singers Mary Martin and John Raitt, featured young artists performing works from the American musical theater.

June 7

- The President met at the White House with:
 - members of the White House staff;
 - the National Security Council, to discuss arms control;
 - a bipartisan group of Members of the House of Representatives, to discuss arms control;
 - a bipartisan group of Senators, to discuss arms control.

The President declared a major disaster for the State of Illinois as a result of severe storms, tornadoes, and flooding, beginning on March 28, which caused extensive property damage.

June 8

- The President met at the White House with:
 - members of the White House staff;
 - Minister of Foreign and Expatriates Affairs Elie Salem of Lebanon;
 - the bipartisan congressional leadership, to discuss the Williamsburg Economic Summit Conference and arms control;
 - officials of national education organizations, for a luncheon meeting;
 - the Cabinet Council on Management and Administration, to discuss Federal employees health and safety and cash management of Federal funds in State accounts.

The President and Mrs. Reagan attended the second videotaping of the Public Broadcasting Service's fourth and final program of "In Performance at the White House," on the South

Lawn of the White House. The June 6 taping had been interrupted by thunderstorms.

The President transmitted to the Congress the annual report of the Corporation for Public Broadcasting covering fiscal year 1982.

June 9

- The President met at the White House with:
 - members of the White House staff;
 - Deane R. Hinton, former U.S. Ambassador to El Salvador.

The President announced the appointment of T. Kenneth Cribb, Jr., Assistant Counsellor to the President, as a member of the Council of the Administrative Conference of the United States. The President also designated as Vice Chairman Mark S. Fowler, Chairman of the Federal Communications Commission.

The President requested the Congress to provide the Department of Health and Human Services authority to transfer, from other programs, up to \$12 million in 1983 and 1984 to support additional activities to combat Acquired Immune Deficiency Syndrome (AIDS).

June 10

- The President met at the White House with:
 - members of the White House staff;
 - the National Security Council;
 - members of the Bipartisan Roundtable, for a luncheon meeting, to discuss capital formation.

The President spoke by telephone with Prime Minister Margaret Thatcher of the United Kingdom to congratulate her on the Parliamentary election results for the Conservative Party.

The President declared a major disaster for the State of Oklahoma as a result of severe storms and flooding, beginning on May 14, which caused extensive damage.

The President left the White House for a week-end stay at Camp David, Md.

June 12

The President returned to the White House from Camp David.

June 13

- The President met at the White House with:
 - members of the White House staff;
 - the Cabinet Council on Human Resources, to discuss food stamp reform;
 - members of the Foreign Operations Subcommittee of the House Appropriations Committee, to discuss foreign assistance legislation.

June 14

- The President met at the White House with:
 - members of the White House staff;
 - Members of Congress.

Appendix A

The President left the White House for a trip to Knoxville, Tenn., and Albuquerque, N. Mex.

June 15

The White House announced that the President has invited Sheikh Isa bin Salman Al-Khalifa, Amir of Bahrain, to make a state visit to the United States. The Sheikh has accepted the invitation and will meet with the President at the White House on July 19.

June 16

The President met at the White House with:
—members of the White House staff;
—the Vice President, for lunch.

The President attended a meeting of the National Security Council in the Old Executive Office Building.

The President met in the Oval Office with leaders of the United Negro College Fund. The ceremony marked the kick-off of the Fund's 1983 corporate campaign.

In an Oval Office ceremony, the President received diplomatic credentials from Ambassadors Gabriel Manueco de Lecea of Spain, Abdallah Bouhabib of Lebanon, Jose Antonio Jarquin Toledo of Nicaragua, Guy-Landry Hazoume of Benin, and Richard Bertil Muller of Finland.

The President transmitted to the Congress the fiscal year 1982 annual report of the Rehabilitation Services Administration.

June 17

The President met at the White House with members of the White House staff.

The President met in the Old Executive Office Building with members of the board of directors of the Knights of Columbus.

In the afternoon, the President left the White House for a weekend stay at Camp David, Md.

June 19

The President returned to the White House from Camp David.

June 20

The President met at the White House with:
—members of the White House staff;
—Ambassador Philip C. Habib, the President's Special Representative for the Middle East;
—Ambassador Richard B. Stone, Special Representative of the President to Central America;
—Gregory Karam, an air traffic controller from Cincinnati, Ohio, and Capt. James Gibson, a pilot for Reeve Aleutian Airways, to recognize them for their professionalism in meeting recent emergency situations;
—the Cabinet Council on Management and Administration, to discuss Federal work

space management and Federal field structure;

—the graduating class of the Congressional Page School.

The White House announced that the President has invited President Amin Gemayel of Lebanon to make an official working visit to Washington. President Gemayel has accepted the invitation and will meet with President Reagan at the White House on July 22.

The President requested the Congress to provide an additional appropriation of \$20.5 million in fiscal year 1983 for the Department of the Interior to pay a settlement to the Papago Indian Tribe in Arizona. This settlement is required by the Southern Arizona Water Rights Settlement of 1982. The President also requested a total of \$430.5 million in 1984 for the following purposes: \$131.5 million for the Department of Justice to establish and support a new criminal justice assistance program, support asbestos litigation, house some Federal prisoners in non-Federal prisons to reduce overcrowding, and continue the pilot U.S. Trustees program through March 31, 1984; \$33.5 million for energy activities to carry out provisions of the Nuclear Waste Policy Act of 1982; and \$265.5 million for the Environmental Protection Agency to accelerate the process of cleaning up hazardous waste disposal sites and for the Agency's regulatory, enforcement, and research programs.

June 21

The President met at the White House with:

—Republican congressional leaders, to discuss the Nation's economy and the fiscal year 1984 budget;
—the Cabinet Councils on Food and Agriculture and Natural Resources and the Environment, to discuss the agricultural payment-in-kind program and synthetic fuels production;
—Jim Knaub, winner of the wheelchair division of the Boston Marathon.

The White House announced that the President has invited Prime Minister Menachem Begin of Israel to make an official working visit to Washington. The Prime Minister has accepted the invitation and will meet with the President at the White House on July 27.

The White House announced that the President has asked the Congress to consider proposed reductions in 1983 budget authority for the District of Columbia in the amount of \$23,853,900. This reduction is in District of Columbia funds and does not affect the Federal budget.

June 22

The President met at the White House with:
—members of the White House staff;

- members of the Presidential Commission on the Conduct of United States-Japan Relations;
- the Cabinet Council on Economic Affairs, to discuss housing and sale lease-back arrangements.

The White House announced that the President would telephone the heads of the Los Angeles Times and U.S. News & World Report to express regret over the deaths of Dial Torgerson and Richard Cross, the American journalists slain in Honduras on June 21. It was also announced that the President would communicate with the families of the journalists.

June 24

- The President met at the White House with:
- members of the White House staff;
 - a bipartisan group of Members of the House of Representatives, to discuss the situation in Central America;
 - key supporters of the 1980 Presidential campaign, for lunch.

June 27

- The President met at the White House with:
- members of the White House staff;
 - John Cardinal Krol, Archbishop of Philadelphia, to discuss the Cardinal's visit to Poland with Pope John Paul II.

The White House announced that consistent with its responsibilities, the Department of Justice is monitoring the development of information with respect to allegations concerning certain briefing materials that the 1980 Reagan campaign organization may have received from the Carter campaign or the Carter administration. The President has asked the Department to ensure that this monitoring is pursued vigorously and that if evidence of illegality is produced, appropriate further action be taken promptly. He

has asked that anyone with information related to the allegations provide such information to the Justice Department immediately.

Pursuant to the requirements of section 403(c) of the Powerplant and Industrial Fuel Use Act of 1978, the President transmitted to Congress the fourth annual report describing Federal actions with respect to the conservation and use of petroleum and natural gas in Federal facilities and conservation of petroleum and natural gas by recipients of Federal assistance.

June 28

- The President met at the White House with:
- members of the White House staff;
 - a group of former Secretaries of the Treasury, including John Snyder, C. Douglas Dillon, Henry H. Fowler, Joseph W. Barr, David M. Kennedy, and G. William Miller.

June 29

In the morning, the President left the White House for visits to Kentucky, Kansas, and California.

June 30

The President met with photographer Ansel Adams during his stay at the Beverly Wilshire Hotel in Santa Monica, Calif.

July 1

The White House announced that the meeting between President Reagan and President Miguel de la Madrid of Mexico, which was announced on June 6, will be held in La Paz, Baja California, Mexico, on August 14.

The President declared a major disaster for the States of Arizona and California as a result of flooding, beginning on or about June 20, which caused extensive damage.

Appendix B—Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted January 25

Elizabeth Hanford Dole,
of Kansas, to be Secretary of Transportation.

Richard T. McCormack,
of the District of Columbia, to be an Assistant Secretary of State, vice Robert D. Hormats, resigned.

Lewis Arthur Tambs,
of Arizona, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Colombia.

Donald T. Regan,
of New Jersey, to be Governor of the African Development Bank for the term of 5 years (new position).

W. Allen Wallis,
of New York, to be Alternate Governor of the African Development Bank for the term of 5 years (new position).

Manfred Eimer,
of Maryland, to be an Assistant Director of the United States Arms Control and Disarmament Agency, vice George William Ashworth, resigned.

Carol McGrew Pavilack,
of Arizona, to be a Commissioner of the United States Parole Commission for a term of 6 years, vice Dorothy Parker, resigned.

The following-named persons to be members of the Advisory Board of the Saint Lawrence Seaway Development Corporation:

Conrad Fredin, of Minnesota, vice William W. Knight, Jr., resigned.

L. Steven Reimers, of North Dakota, vice Miles F. McKee, resigned.

Barbara Jean Mahone,
of New York, to be a member of the Federal Labor Relations Authority for a term of 5 years expiring July 29, 1987, vice Leon B. Applewhaite, term expired.

Submitted January 25—Continued

John Carl Miller,
of Ohio, to be General Counsel of the Federal Labor Relations Authority for a term of 5 years, vice H. Stephan Gordon, resigned.

Paul H. Lamboley,
of Nevada, to be a member of the Interstate Commerce Commission for the remainder of the term expiring December 31, 1984, vice Darius W. Gaskins, Jr., resigned.

Edward A. Knapp,
of New Mexico, to be Director of the National Science Foundation for a term of 6 years, vice John Brooks Slaughter, resigned, to which position he was appointed during the recess of the Senate from October 2, 1982, until November 29, 1982.

Diana Powers Evans,
of Oregon, to be a member of the National Advisory Council on Women's Educational Programs for a term expiring May 8, 1984, vice Ellen Sherry Hoffman, term expired.

Donald L. Dotson,
of Pennsylvania, to be a member of the National Labor Relations Board for the term of 5 years expiring December 16, 1987, vice John Carl Miller who was appointed to this position during the last recess of the Senate.

Thomas A. Bolan,
of New York, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1985 (reappointment).

Robert A. Gielow,
of Illinois, to be a member of the Railroad Retirement Board for the term of 5 years from August 29, 1982, vice William P. Adams, term expired.

Hershey Gold,
of California, to be a member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1984, vice Neil C. Sherburne, term expired.

Francis M. Mullen, Jr.,
of Virginia, to be Administrator of Drug Enforcement, vice Peter B. Bensinger, resigned.

Submitted January 26

Terrence M. Scanlon,
of the District of Columbia, to be a Commissioner of the Consumer Product Safety Commission for a term expiring October 26, 1989, vice R. David Pittle, resigned.

The following-named persons to be members of the Board of Directors of the Corporation for Public Broadcasting for the terms indicated:

For a term expiring March 1, 1984:

Helen Marie Taylor, of Virginia, vice Gillian Martin Sorensen, term expired.

For terms expiring March 26, 1987:

Richard Brookhiser, of New York, vice Michael R. Kelley, term expired.

Karl Eller, of Arizona, vice Clyde M. Reed, term expired.

Sharon P. Rockefeller, of West Virginia (reappointment).

John R. McKean,
of California, to be a Governor of the United States Postal Service for the term expiring December 8, 1991, vice Timothy L. Jenkins, term expired.

Kenneth L. Adelman,
of Virginia, to be Director of the United States Arms Control and Disarmament Agency, vice Eugene Victor Rostow, resigned.

Submitted January 27

Richard R. Burt,
of the District of Columbia, to be an Assistant Secretary of State, vice Lawrence S. Eagleburger, resigned.

Submitted January 31

Gregory Wright Carman,
of New York, to be a Judge of the United States Court of International Trade, vice Scovel Richardson, deceased.

Pamela Ann Rymer,
of California, to be United States District Judge for the Central District of California, vice William P. Gray, retired.

John P. Vukasin, Jr.,
of California, to be United States District Judge for the Northern District of California, vice Stanley A. Weigel, retired.

Shirley Wohl Kram,
of New York, to be United States District Judge for the Southern District of New York, vice Lawrence W. Pierce, elevated.

Submitted January 31—Continued

A. Joe Fish,
of Texas, to be United States District Judge for the Northern District of Texas, vice Patrick E. Higginbotham, elevated.

William Thomas Dillard III,
of Tennessee, to be United States Attorney for the Northern District of Florida for the term of 4 years, vice Nickolas P. Geeker, resigned.

James W. Diehm,
of the Virgin Islands, to be United States Attorney for the District of the Virgin Islands for the term of 4 years, vice Ishmael A. Meyers, resigned.

James C. Patterson,
of Arkansas, to be United States Marshal for the Western District of Arkansas for the term of 4 years, vice Mack Burton, term expired.

Ronald J. Alles,
of Montana, to be United States Marshal for the District of Montana for the term of 4 years, vice John C. Krsul, deceased.

Submitted February 2

J. J. Simmons III,
of Oklahoma, to be Under Secretary of the Interior, vice Donald P. Hodel, resigned.

Vincent Puritano,
of Virginia, to be an Assistant Secretary of Defense, vice Jack R. Borsting, resigned.

Morton I. Abramowitz,
of Massachusetts, a career member of the Senior Foreign Service, Class of Career Minister, for the rank of Ambassador during the tenure of his service as the Representative of the United States of America for Mutual and Balanced Force Reductions Negotiations.

Submitted February 8

The following-named persons to be members of the Board for International Broadcasting for terms expiring April 28, 1985:

Thomas F. Ellis, of North Carolina, vice Charles David Ablard, term expired.

Michael Novak, of the District of Columbia, vice Thomas H. Quinn, term expired.

Submitted February 9

James R. Bullington,
of Tennessee, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the

Submitted February 9—Continued

United States of America to the Republic of Burundi.

Bernard A. Maguire,
of Virginia, to be an Associate Director of the Federal Emergency Management Agency, vice Gloria Cusumano Jimenez.

Submitted February 10

John J. Franke, Jr.,
of Kansas, to be an Assistant Secretary of Agriculture (new position).

John P. Volz,
of Louisiana, to be United States Attorney for the Eastern District of Louisiana for the term of 4 years (reappointment).

Submitted February 16

Edward J. Derwinski,
of Illinois, to be Counselor of the Department of State, vice James L. Buckley, resigned.

Submitted February 17

Edwin J. Gray,
of California, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1983, vice Andrew A. DiPrete, resigned.

Edwin J. Gray,
of California, to be a member of the Federal Home Loan Bank Board for the term of 4 years expiring June 30, 1987 (reappointment).

Darrell M. Trent,
of California, for the rank of Ambassador during the tenure of his service as Chairman of the United States Delegation to the United States-European Civil Aviation Conference Negotiations on Multilateral Pricing.

Submitted February 18

Margaret M. Heckler,
of Massachusetts, to be Secretary of Health and Human Services.

John A. Svahn,
of Maryland, to be Under Secretary of Health and Human Services, vice David B. Swoap, resigned.

Submitted February 22

Wesley William Egan, Jr.,
of North Carolina, a Foreign Service officer of Class one, to be Ambassador Extraordinary and

Submitted February 22—Continued

Plenipotentiary of the United States of America to the Republic of Guinea-Bissau.

John Melvin Yates,
of Washington, a Foreign Service officer of Class one, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cape Verde.

Carlos Salman,
of Florida, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1985 (reappointment).

Steven Roger Schlesinger,
of Maryland, to be Director of the Bureau of Justice Statistics, vice Harry Alan Scarr.

Submitted February 24

Courtney Riordan,
of Virginia, to be an Assistant Administrator of the Environmental Protection Agency, vice Stephen John Gage.

Submitted February 28

John Davis Lodge,
of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

Peter H. Raven,
of Missouri, to be a member of the National Museum Services Board for a term expiring December 6, 1987 (reappointment).

Submitted March 8

Alvin P. Adams, Jr.,
of Virginia, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Djibouti.

John Lathrop Ryan,
of Indiana, to be a Governor of the United States Postal Service for the remainder of the term expiring December 8, 1989, vice Wallace Nathaniel Hyde.

Joseph H. Sherick,
of Virginia, to be Inspector General, Department of Defense (new position).

Daniel A. Bent,
of Hawaii, to be United States Attorney for the District of Hawaii for the term of 4 years, vice Walter M. Heen, resigned.

Appendix B

Submitted March 9

Allen Clayton Davis, of Tennessee, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Uganda.

Patricia Diaz Dennis, of California, to be a member of the National Labor Relations Board for the remainder of the term expiring August 27, 1986, vice John R. Van de Water.

Donald Moncrief Muchmore, of California, to be a member of the National Museum Services Board for a term expiring December 6, 1987, vice George C. Seybolt, term expired.

Submitted March 11

Eugene M. Corr, of Washington, to be United States Marshal for the Western District of Washington for the term of 4 years, vice Joseph J. Harvey, term expired.

Submitted March 14

Alfred S. Regnery, of Virginia, to be Administrator of the Office of Juvenile Justice and Delinquency Prevention (new position).

Submitted March 15

William H. Barbour, Jr., of Mississippi, to be United States District Judge for the Southern District of Mississippi, vice William H. Cox, retired.

Harry O'Connor, of California, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 1, 1984, vice Charles W. Roll, Jr., term expired.

Submitted March 16

Mary F. Wieseman, of Maryland, to be Inspector General, Small Business Administration, vice Paul Robert Boucher, deceased.

Submitted March 21

Maria Lucia Johnson, of Alaska, to be a member of the Merit Systems Protection Board for the term of 7 years expiring March 1, 1990, vice Ersu H. Poston, term expired.

Submitted March 21—Continued

Charles Ray Ritcheson, of California, to be a member of the National Council on the Humanities for the remainder of the term expiring January 26, 1986, vice A. Bartlett Giamatti, resigned.

Submitted March 22

Theodore J. Garrish, of Virginia, to be General Counsel of the Department of Energy, vice R. Tenney Johnson, resigned.

Submitted March 24

Alfred Hugh Kingon, of New York, to be an Assistant Secretary of Commerce, vice Raymond J. Waldmann, resigned.

R. Budd Gould, of Montana, to be a member of the National Council on the Handicapped for a term expiring September 17, 1985 (new position).

Constance Horner, of the District of Columbia, to be Associate Director of the ACTION agency, vice Lawrence F. Davenport, resigned.

Submitted March 30

Jay P. Moffat, of New Hampshire, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chad.

Moody R. Tidwell III, of Virginia, to be a Judge of the United States Claims Court for a term of 15 years, vice Louis Spector, term expired.

James Brian Hyland, of Virginia, to be Inspector General, Department of Labor, vice Thomas F. McBride, resigned.

Submitted April 5

Malcolm R. Barnebey, of Texas, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belize.

James D. Rosenthal, of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of

Submitted April 5—Continued
the United States of America to the People's Revolutionary Republic of Guinea.

Helene A. von Damm,
of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Austria.

James H. Burnley IV,
of North Carolina, to be General Counsel of the Department of Transportation, vice John M. Fowler, resigned.

E. Pendleton James,
of California, to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1986, vice Joan F. Tobin, term expiring.

Submitted April 12

Chapman Beecher Cox,
of Virginia, to be an Assistant Secretary of the Navy, vice John S. Herrington, resigned.

Julia Smith Gibbons,
of Tennessee, to be United States District Judge for the Western District of Tennessee, vice Harry W. Wellford, elevated.

Ricardo H. Hinojosa,
of Texas, to be United States District Judge for the Southern District of Texas, vice Woodrow B. Seals, retired.

Rudolph W. Giuliani,
of New York, to be United States Attorney for the Southern District of New York for the term of 4 years, vice John S. Martin, Jr.

Edward S. G. Dennis, Jr.,
of Pennsylvania, to be United States Attorney for the Eastern District of Pennsylvania for the term of 4 years, vice Peter F. Vaira, Jr., term expired.

Charles F. Goggin III,
of Tennessee, to be United States Marshal for the Middle District of Tennessee for the term of 4 years, vice William J. Evins, Jr., term expired.

Ronald A. Donell,
of West Virginia, to be United States Marshal for the Northern District of West Virginia for the term of 4 years, vice Hubert T. Taylor, term expired.

John Giffen Weinmann,
of Louisiana, to be Commissioner General of the United States Government for the 1984 Louisiana World Exposition (new position).

Submitted April 12—Continued

William F. Pickard,
of Michigan, to be a member of the Board of Directors of the African Development Foundation for a term of 6 years (new position).

Robert Setrakian,
of California, to be a Federal Maritime Commissioner for the term expiring June 30, 1987, vice Richard J. Daschbach, resigned.

Submitted April 13

Robert Emmet Lighthizer,
of Maryland, to be a Deputy United States Trade Representative, with the rank of Ambassador (new position).

Withdrawn April 13

Constance Horner,
of the District of Columbia, to be Associate Director of the ACTION agency, vice Lawrence F. Davenport, resigned, which was sent to the Senate on March 24, 1983.

Submitted April 14

Joel M. Flaum,
of Illinois, to be United States Circuit Judge for the Seventh Circuit, vice Robert A. Sprecher, deceased.

H. Ted Milburn,
of Tennessee, to be United States District Judge for the Eastern District of Tennessee, vice Charles G. Neese, retired.

Submitted April 15

Richard Salisbury Williamson,
of Virginia, to be the Representative of the United States of America to the Vienna Office of the United Nations and Deputy Representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

Submitted April 18

Stephen F. Eilperin,
of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for a term of 15 years, vice John R. Hess, retired.

The following-named persons to be members of the Board of Directors of the African Development Foundation for the terms indicated:

Patsy Baker Blackshear, of Maryland, for a term of 4 years (new position).

Appendix B

Submitted April 18—Continued

Chester A. Crocker, an Assistant Secretary of State, for a term of 2 years (new position).

Submitted April 21

Arthur Winston Lewis, of the District of Columbia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sierra Leone.

Sherman E. Unger, of Ohio, to be United States Circuit Judge for the Federal Circuit, vice Robert L. Kunzig, deceased.

Submitted April 26

Myles Robert René Frechette, of Washington, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Cameroon.

Richard Lee Armitage, of Virginia, to be an Assistant Secretary of Defense, vice Francis J. West, resigned.

Francis Stephen Ruddy, an Assistant Administrator of the Agency for International Development, to be a member of the Board of Directors of the African Development Foundation for a term of 2 years (new position).

David F. Emery, of Maine, to be Deputy Director of the United States Arms Control and Disarmament Agency, vice Spurgeon M. Keeny, Jr., resigned.

Submitted April 27

Curtin Winsor, Jr., of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Costa Rica.

Lois H. Herrington, of California, to be an Assistant Attorney General, vice a new position created by P.L. 95-598, approved November 6, 1978.

Submitted April 28

William D. Ruckelshaus, of Washington, to be Administrator of the Environmental Protection Agency, vice Anne McGill Burford, resigned.

Submitted May 2

Robert Brendon Keating, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Madagascar and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal and Islamic Republic of the Comoros.

James J. Needham, of New York, for the rank of Ambassador during the tenure of his service as Commissioner General of the United States Exhibition for the International Exposition, Tsukuba, Japan, 1985.

Daniel G. Amstutz, of New York, to be Under Secretary of Agriculture for International Affairs and Commodity Programs, vice Seeley Lodwick, resigned.

Madeleine C. Will, of Maryland, to be Assistant Secretary for Special Education and Rehabilitative Services, Department of Education, vice Jean Tufts, deceased.

Bobby Ray Baldock, of New Mexico, to be United States District Judge for the District of New Mexico, vice Edwin L. Mechem, retired.

George Washington Proctor, of Arkansas, to be United States Attorney for the Eastern District of Arkansas for the term of 4 years (reappointment).

Submitted May 9

Richard B. Stone, of the District of Columbia, to be Ambassador at Large.

D. Lowell Jensen, of Virginia, to be Associate Attorney General, vice Rudolph Giuliani.

Ford Barney Ford, of California, to be Under Secretary of Labor, vice Malcolm R. Lovell, Jr., resigned.

Paul I. Enns, of California, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1989, vice Edgar C. Rutherford, term expired.

Jane E. M. Holt, of the District of Columbia, to be a member of the Interstate Commerce Commission for a term

Submitted May 9—Continued
 expiring December 31, 1985, vice Reginald E. Gilliam, Jr., resigned.

Submitted May 11

Leonard D. Wexler,
 of New York, to be United States District Judge
 for the Eastern District of New York, vice
 George C. Pratt, elevated.

Charles E. Clapp II,
 of Rhode Island, to be a Judge of the United
 States Tax Court for a term expiring 15 years
 after he takes office, vice Irene Feagin Scott.

Submitted May 16

Peter Otto Murphy,
 of the District of Columbia, to be a Deputy
 United States Trade Representative, with the
 rank of Ambassador, vice David R. MacDonald,
 resigned.

Daniel G. Amstutz,
 of New York, to be a member of the Board of
 Directors of the Commodity Credit Corporation,
 vice Seeley Lodwick, resigned.

Janet L. Norwood,
 of Maryland, to be Commissioner of Labor Statis-
 tics, United States Department of Labor, for a
 term of 4 years (reappointment).

Submitted May 17

Delbert L. Spurlock, Jr.,
 of Virginia, to be an Assistant Secretary of the
 Army, vice Harry N. Walters.

Submitted May 18

Donald I. Hovde,
 of Wisconsin, to be a member of the Federal
 Home Loan Bank Board for the remainder of the
 term expiring June 30, 1985, vice Richard T.
 Pratt, resigned.

Submitted May 23

L. Paul Bremer III,
 of Connecticut, a career member of the Senior
 Foreign Service, Class of Minister-Counselor, to
 be Ambassador Extraordinary and Plenipotentiary
 of the United States of America to the Kingdom
 of the Netherlands.

John J. O'Donnell,
 of the District of Columbia, to be an Assistant
 Secretary of Labor, vice Donald Elisburg.

Submitted May 23—Continued

Robin Raborn,
 of New York, to be an Assistant Secretary of
 Housing and Urban Development, vice Harry K.
 Schwartz, resigned.

Robert H. Morris,
 of Maryland, to be Deputy Director of the Federal
 Emergency Management Agency (new position).

The following-named persons to be members of
 the Board for International Broadcasting for the
 terms indicated:

For terms expiring April 28, 1984:

Joseph Lane Kirkland, of the District of Colum-
 bia (new position).

Arch L. Madsen, of Utah (new position).

James Albert Michener, of Pennsylvania (new
 position).

For a term expiring April 28, 1985:

Clair W. Burgener, of California (new position).

For a term expiring April 28, 1986:

Malcolm Forbes, Jr., of New Jersey, vice Mark
 Goode, term expired.

Submitted May 24

Pasco M. Bowman II,
 of Missouri, to be United States Circuit Judge for
 the Eighth Circuit, vice J. Smith Henley, retired.

Submitted May 26

Hume Alexander Horan,
 of New Jersey, a career member of the Senior
 Foreign Service, Class of Minister-Counselor, to
 be Ambassador Extraordinary and Plenipotentiary
 of the United States of America to the Demo-
 cratic Republic of the Sudan.

Gene Carter,
 of Maine, to be United States District Judge for
 the District of Maine, vice Edward T. Gignoux,
 retired.

Hector M. Laffitte,
 of Puerto Rico, to be United States District Judge
 for the District of Puerto Rico, vice Hernan G.
 Pesquera, deceased.

The following-named persons to be members of
 the Commission on Civil Rights:

Morris B. Abram, of New York, vice Mary
 Frances Berry.

John H. Bunzel, of California, vice Blandina
 Cardenas Ramirez.

Robert A. Destro, of Wisconsin, vice Murray
 Saltzman.

Appendix B

Submitted May 26—Continued

Linda Chavez Gersten,
of the District of Columbia, to be Staff Director
for the Commission on Civil Rights, vice Louis
Nunez, resigned.

Joseph Alison Kyser,
of Alabama, to be a member of the Federal Farm
Credit Board, Farm Credit Administration, for a
term expiring March 31, 1989, vice Lawrence
Owen Cooper, Sr., term expired.

The following-named persons to be members of
the United States International Trade Commis-
sion for the terms indicated:

*For the remainder of the term expiring Decem-
ber 16, 1985:*

Lyn M. Schlitt, of Virginia, vice William R. Al-
berger, resigned.

*For the remainder of the term expiring Decem-
ber 16, 1988:*

Susan Wittenberg Liebler, of California, vice
Michael J. Calhoun, resigned.

For the term expiring December 16, 1991:

Seeley Lodwick, of Iowa, vice Eugene J. Frank,
resigned.

Submitted June 7

Peter C. Dorsey,
of Connecticut, to be United States District Judge
for the District of Connecticut, vice T. Emmet
Clarie, retired.

Stephen N. Limbaugh,
of Missouri, to be United States District Judge for
the Eastern and Western Districts of Missouri,
vice H. Kenneth Wangelin, retired.

Lee M. Thomas,
of South Carolina, to be an Assistant Administra-
tor of the Environmental Protection Agency, vice
Rita M. Lavelle.

The following-named persons to be members of
the National Council on Educational Research for
the terms indicated:

*For the remainder of the term expiring Septem-
ber 30, 1983:*

David J. Armor, of California, vice Robert E.
Nederland.

For a term expiring September 30, 1985:

Joan M. Gubbins, of Indiana, vice Alice Coig
McDonald.

For a term expiring September 30, 1986:

David J. Armor, of California (reappointment).

Submitted June 13

Stephen S. Trott,
of California, to be an Assistant Attorney Gener-
al, vice D. Lowell Jensen.

William Perry Pendley,
of Wyoming, to be an Assistant Secretary of the
Interior, vice Daniel N. Miller, Jr., resigned.

Submitted June 15

Howard M. Messner,
of Maryland, to be an Assistant Administrator of
the Environmental Protection Agency, vice John
P. Horton, resigned.

The following-named persons to be members of
the Federal Election Commission for terms expir-
ing April 30, 1989:

Joan D. Aikens, of Pennsylvania (reappoint-
ment).

John Warren McGarry, of Massachusetts (reap-
pointment).

Submitted June 16

Robert E. Fritts,
of Maryland, a career member of the Senior For-
eign Service, Class of Minister-Counselor, to be
Ambassador Extraordinary and Plenipotentiary of
the United States of America to the Republic of
Ghana.

Submitted June 20

David M. Abshire,
of Virginia, to be the United States Permanent
Representative on the Council of the North At-
lantic Treaty Organization, with the rank and
status of Ambassador Extraordinary and Plenipo-
tentiary.

Millicent Fenwick,
of New Jersey, for the rank of Ambassador during
the tenure of her service as United States Repre-
sentative to the Food and Agriculture Organiza-
tion in Rome.

Langhorne A. Motley,
of Alaska, to be Assistant Secretary of State, vice
Thomas O. Enders, resigned.

James F. Merow,
of Virginia, to be a Judge of the United States
Claims Court for a term of 15 years (reappoint-
ment).

Robert J. Yock,
of Virginia, to be a Judge of the United States
Claims Court for a term of 15 years (reappoint-
ment).

Submitted June 21

Marvin Katz,
of Pennsylvania, to be United States District
Judge for the Eastern District of Pennsylvania,
vice Joseph S. Lord III, retired.

James McGirr Kelly,
of Pennsylvania, to be United States District
Judge for the Eastern District of Pennsylvania,
vice E. Mac Troutman, retired.

Thomas N. O'Neill,
of Pennsylvania, to be United States District
Judge for the Eastern District of Pennsylvania,
vice Edward R. Becker, elevated.

William Patrick Collins,
of Virginia, to be Under Secretary of Energy,
vice Guy W. Fiske, resigned.

Submitted June 27

Jose S. Sorzano,
of Virginia, to be the Deputy Representative of
the United States of America to the United Na-
tions, with the rank and status of Ambassador
Extraordinary and Plenipotentiary.

Submitted June 27—Continued

Warren T. Lindquist,
of Maine, to be an Assistant Secretary of Housing
and Urban Development, vice Geno Charles
Baroni.

Submitted June 29

Judith W. Rogers,
of the District of Columbia, to be an Associate
Judge of the District of Columbia Court of Ap-
peals for the term of 15 years, vice Catherine B.
Kelly, retired.

Bruce D. Beaudin,
of the District of Columbia, to be an Associate
Judge of the Superior Court of the District of
Columbia for a term of 15 years, vice John D.
Fauntleroy, retired.

A. Franklin Burgess,
of the District of Columbia, to be an Associate
Judge of the Superior Court of the District of
Columbia for a term of 15 years, vice Joseph M.
F. Ryan, Jr., retired.

Elliot Ross Buckley,
of Virginia, to be a member of the Occupational
Safety and Health Review Commission for the
term expiring April 27, 1989, vice Bertram R.
Cottine, term expired.

Appendix C—Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary which are not included in this book.

Released January 1

Advance text:
Radio address to the Nation on New Year's Day

Released January 2

Fact sheet:
The President's trip to Monroe, La., to inspect the flood damage

Released January 3

Transcript:
Press briefing on the establishment of the President's Commission on Strategic Forces—by Brent Scowcroft, Chairman of the Commission

Released January 6

Fact sheet:
Surface Transportation Assistance Act of 1982

Released January 7

Announcement:
Submission to the President of the report of Emergency Board No. 199 to investigate a railroad labor dispute

Fact sheet:
Nuclear Waste Policy Act of 1982

Transcript:
Press briefing on U.S. voluntary assistance for Lebanon—by M. Peter McPherson, Administrator of the Agency for International Development and the President's personal representative for U.S. disaster assistance to Lebanon

Released January 10

Transcript:
Press briefing on his meeting with the President to discuss the situation in the Middle East—by Ambassador Philip C. Habib, the President's Special Representative for the Middle East

Released January 11

Advance text:
Remarks at the annual meeting of the American Farm Bureau Federation in Dallas, Tex.

Transcript:
Press briefing on the implementation of the agricultural payment-in-kind program (held January 10)—by Secretary of Agriculture John R. Block

Fact sheet:
Agricultural payment-in-kind program

Released January 13

Transcript:
Press briefing on the 1983 information collection budget—by Christopher DeMuth, Administrator for Information and Regulatory Affairs, Office of Management and Budget

Fact sheet:
1983 information collection budget

Released January 14

Fact sheet:
Indian policy statement

Released January 15

Fact sheet:
Recommendations of the National Commission on Social Security Reform

Released January 19

Advance text:
Remarks at a fundraising dinner for Senator Charles H. Percy in Chicago, Ill.

Released January 20

Advance text:
Remarks to the Reagan Administration Executive Forum

Released January 21

Transcript:
Press briefing following their meeting with the President on the next rounds of the strategic arms reduction talks (START) and intermediate-

Released January 21—Continued

range nuclear force (INF) negotiations—by Ambassadors Edward L. Rowny and Paul H. Nitze

Statement:

Consumer Price Index for December—by Martin S. Feldstein, Chairman of the Council of Economic Advisers

Transcript:

Press briefing on the Consumer Price Index for December—by Martin S. Feldstein, Chairman of the Council of Economic Advisers

Released January 25

Advance text:

The State of the Union address

Fact sheet:

The State of the Union address

Released January 27

Transcript:

Press briefing on his upcoming visit to Europe—by the Vice President

Released January 28

Advance text:

Remarks at a meeting with the National League of Families of American Prisoners and Missing in Southeast Asia

Transcript:

Press briefing on the index of leading economic indicators for December—by Martin S. Feldstein, Chairman of the Council of Economic Advisers

Announcement:

Nomination of Gregory Wright Carman to be a Judge of the United States Court of International Trade

Announcement:

Nomination of A. Joe Fish to be United States District Judge for the Northern District of Texas, Shirley Wohl Kram to be United States District Judge for the Southern District of New York, and Pamela Ann Rymer to be United States District Judge for the Central District of California

Announcement:

Nomination of James W. Diehm to be United States Attorney for the District of the Virgin Islands

Announcement:

Nomination of Ronald J. Alles to be United States Marshal for the District of Montana and James C. Patterson to be United States Marshal for the Western District of Arkansas

Released January 31

Advance text:

Remarks at the annual convention of the National Religious Broadcasters

Released February 1

Advance text:

Remarks to the St. Louis Regional Commerce and Growth Association in Missouri

Released February 2

Transcript:

Press briefing on the Economic Report of the President—by Martin S. Feldstein, Chairman of the Council of Economic Advisers

Released February 3

Advance text:

Remarks at the National Prayer Breakfast

Released February 8

Transcript:

Excerpt from a question-and-answer session with editorial page writers

Fact sheet:

U.S. membership in the African Development Bank

Transcript:

U.S. membership in the African Development Bank—by Wila Mung'Omba, President of the African Development Bank, and Thomas Dawson, Deputy Assistant Secretary of the Treasury (Developing Nations)

Released February 10

Announcement:

Nomination of John P. Volz to be United States Attorney for the Eastern District of Louisiana

Released February 11

Transcript:

Press briefing on their trips to Europe and the Far East—by the Vice President and Secretary of State George P. Shultz

Released February 14

Advance text:

Remarks via satellite to the Young Presidents Organization in Tucson, Ariz.

Released February 16

Transcript:

Press briefing on proposed tuition tax credit legislation—by Gary L. Jones, Under Secretary of Education for Planning, Budget and Education

Fact sheet:

Proposed tuition tax credit legislation

Released February 17

Transcript:

Press briefing on the upcoming Williamsburg Economic Summit Conference—by Secretary of State George P. Shultz

Fact sheet:

Project Transport

Released February 18

Fact sheet:

Government patent policy memorandum

Advance text:

Remarks at the Conservative Political Action Conference dinner

Released February 22

Fact sheet:

Freedoms Foundation American Friendship Medal

Advance text:

Remarks at the annual Washington conference of the American Legion

Released February 23

Fact sheet:

Presidential Medal of Freedom

Announcement:

List of individuals receiving the Presidential Medal of Freedom

Released February 24

Fact sheet:

Proposed federalism legislation

Statement:

Meeting of the Cabinet Council on Natural Resources and Environment to discuss proposed natural gas deregulation legislation—by Deputy Press Secretary Larry M. Speakes

Released February 25

Transcript:

Press briefing on the Consumer Price Index for January—by Martin S. Feldstein, Chairman of the Council of Economic Advisers

Announcement:

The President's visit to Klamath Falls, Oreg., on March 5

Released February 28

Fact sheet:

Proposed natural gas deregulation legislation

Fact sheet:

Health care incentives reform summary

Released March 2

Fact sheet:

International Monetary Fund

Advance text:

Toast at a dinner honoring Queen Elizabeth II of the United Kingdom in San Francisco, Calif.

Released March 3

Advance text:

Remarks at a luncheon meeting of the U.S. Olympic Committee in Los Angeles, Calif.

Released March 4

Advance text:

Remarks at the Commonwealth Club of California in San Francisco

Released March 7

Fact sheet:

Enterprise zone employment and development legislation

Released March 8

Advance text:

Remarks at the annual convention of the National Association of Evangelicals in Orlando, Fla.

Fact sheet:

School prayer

Announcement:

Nomination of Daniel A. Bent to be United States Attorney for the District of Hawaii

Appendix C

Released March 10

Announcement:

Nomination of Eugene M. Corr to be United States Marshal for the Western District of Washington

Advance text:

Remarks at the annual meeting of the National Association of Manufacturers

Fact sheet:

U.S. oceans policy

Released March 11

Transcript:

Press briefing on proposed employment legislation—by Secretary of Labor Raymond J. Donovan

Fact sheet:

Proposed employment legislation

Released March 15

Announcement:

Nomination of William H. Barbour, Jr., to be United States District Judge for the Southern District of Mississippi

Released March 16

Transcript:

Press briefing on proposed crime control legislation—by Attorney General William French Smith

Fact sheet:

Proposed crime control legislation

Released March 17

Transcript:

Press briefing on proposed education assistance legislation—by Secretary of Education Terrel H. Bell

Fact sheet:

Proposed education assistance legislation

Released March 18

Transcript:

Press briefing on a House budget proposal—by David A. Stockman, Director of the Office of Management and Budget

Released March 21

Advance text:

Remarks to Department of Agriculture employees on National Agriculture Day

Released March 23

Transcript:

Press briefing on the National Narcotics Border Interdiction System—by Counsellor to the President Edwin Meese III, John M. Walker, Jr., Assistant Secretary of the Treasury (Enforcement and Operations), and Carlton E. Turner, Director of the White House Office of Drug Abuse Policy

Advance text:

Address to the Nation on defense and national security

Photocopies:

Charts and photographs displayed during the address to the Nation on defense and national security

Released March 25

Transcript:

Press briefing on the updating of the economic forecast and budget revision figures—by Martin S. Feldstein, Chairman of the Council of Economic Advisers

Statement:

Updating of the economic forecast and budget revision figures—by Martin S. Feldstein, Chairman of the Council of Economic Advisers (as read at the press briefing)

Released March 30

Advance text:

Remarks on the U.S. proposal for an interim arms agreement forwarded at the Intermediate-range Nuclear Force negotiations in Geneva

Fact sheet:

U.S. proposal for an interim arms agreement

Announcement:

Submission to the President of the report of Emergency Board No. 200 to investigate a railroad labor dispute

Announcement:

Nomination of Moody R. Tidwell III to be a Judge of the United States Claims Court

Released March 31

Advance text:

Remarks at the Los Angeles World Affairs Council meeting in California

Fact sheet:

U.S. proposals on arms control as announced by the President in his remarks to the Los Angeles World Affairs Council meeting in California

Released March 31—Continued

Transcript:
Press briefing on arms control—by Secretary of State George P. Shultz

Released April 4

Fact sheet:
Long Island Rail Road

Released April 6

Advance text:
Remarks at the National Conference on the Dislocated Worker in Pittsburgh, Pa.

Fact sheet:
Civil Rights Commission reauthorization legislation

Released April 11

Transcript:
Press briefing on the report of the President's Commission on Strategic Forces—by Chairman Brent Scowcroft, members, and senior counselors of the Commission

Announcement:
Nomination of Ricardo H. Hinojosa to be United States District Judge for the Southern District of Texas and Julia Smith Gibbons to be United States District Judge for the Western District of Tennessee

Advance text:
Remarks to the American Gathering of Jewish Holocaust Survivors

Released April 12

Announcement:
Nomination of Rudolph W. Giuliani to be United States Attorney for the Southern District of New York and Edward S. G. Dennis, Jr., to be United States Attorney for the Eastern District of Pennsylvania

Announcement:
Nomination of Charles F. Goggin III to be United States Marshal for the Middle District of Tennessee and Ronald A. Donell to be United States Marshal for the Northern District of West Virginia

Announcement:
Convening of the White House Conference on Productivity on September 22 and 23 in Washington, D.C.

Fact sheet:
White House Conference on Productivity

Released April 14

Transcript:
Press briefing on the Williamsburg Economic Summit Conference—by W. Allen Wallis, Under Secretary of State for Economic Affairs and the President's Personal Representative for the 1983 summit

Announcement:
Nomination of Joel M. Flaum to be United States Circuit Judge for the Seventh Circuit

Announcement:
Nomination of H. Ted Milburn to be United States District Judge for the Eastern District of Tennessee

Released April 15

Transcript:
Press briefing on the economy—by Martin S. Feldstein, Chairman of the Council of Economic Advisers

Photocopy:
1982 income tax return of the President and Mrs. Reagan

Released April 18

Announcement:
Nomination of Stephen F. Eilperin to be an Associate Judge of the Superior Court of the District of Columbia

Released April 19

Advance text:
Remarks endorsing the recommendations in the final report of the President's Commission on Strategic Forces

Released April 20

Fact sheet:
Social Security Amendments of 1983

Released April 22

Transcript:
Press briefing on the U.S. proposal of long-term grain agreement negotiations with the Soviet Union—by U.S. Trade Representative William E. Brock, Deputy Secretary of Agriculture Richard E. Lyng, and Mark Palmer, Acting Assistant Secretary of State for European Affairs

Released April 25

Fact sheet:
Enrico Fermi Award

Appendix C

Released April 25—Continued

Transcript:

Press briefing on the proposed reorganization of international trade responsibilities within the executive branch and the creation of a unified Cabinet-level department—by Secretary of Commerce Malcolm Baldrige and Deputy U.S. Trade Representative Robert E. Lighthizer

Released April 26

Transcript:

Press briefing on the report of the National Commission on Excellence in Education—by Secretary of Education Terrel H. Bell and Dr. David P. Gardner, Chairman of the Commission

Fact sheet:

National Commission on Excellence in Education

Released April 27

Advance text:

Remarks at the annual convention of the American Newspaper Publishers Association in New York City

Advance text:

Address before a joint session of the Congress on Central America

Background paper:

Address before a joint session of the Congress on Central America

Released April 29

Advance text:

Remarks at a fundraising dinner for Senator John Tower in Houston, Tex.

Released May 2

Announcement:

Nomination of Bobby Ray Baldock to be United States District Judge for the District of New Mexico

Announcement:

Nomination of George W. Proctor to be United States Attorney for the Eastern District of Arkansas

Released May 3

Transcript:

Press briefing on the administration's commitment to historically black colleges and universities—by Secretary of Education Terrel H. Bell

Released May 5

Advance text:

Remarks at Cinco de Mayo ceremonies in San Antonio, Tex.

Fact sheet:

Working Group on Southwestern Border States

Released May 6

Advance text:

Remarks at the annual members banquet of the National Rifle Association in Phoenix, Ariz.

Released May 11

Announcement:

Nomination of Charles E. Clapp II to be a Judge of the United States Tax Court

Announcement:

Nomination of Leonard D. Wexler to be United States District Judge for the Eastern District of New York

Transcript:

Press briefing on his meeting with the President to discuss his trip to the Middle East and Paris—by Secretary of State George P. Shultz

Released May 12

Transcript:

Press briefing on his meeting with the President to discuss the resumption of the Intermediate-range Nuclear Force negotiations in Geneva, Switzerland—by Ambassador Paul H. Nitze

Advance text:

Remarks at a the Republican Senate-House campaign committees fundraising dinner

Released May 13

Transcript:

Press briefing on the Index of Industrial Production and the Producer Price Index for April—by Martin S. Feldstein, Chairman of the Council of Economic Advisers

Released May 16

Advance text:

Remarks to the National Association of Home Builders

Released May 18

Advance text:

Remarks at the swearing-in ceremony for William D. Ruckelshaus as Administrator of the Environmental Protection Agency

Released May 20

Advance texts:

Remarks at a Cuban Independence Day celebration in Miami, Fla. (two releases, one in Spanish)

Released May 21

Advance text:

Address at commencement exercises at Seton Hall University in South Orange, N.J.

Released May 23

Fact sheet:

Presidential "E" and "E Star" Awards

Released May 24

Announcement:

Nomination of Pasco M. Bowman II to be United States Circuit Judge for the Eighth Circuit

Fact sheet:

Direct communication links between the United States and the Soviet Union and other measures to enhance stability

Statement:

Consumer Price Index for April—by Martin S. Feldstein, Chairman of the Council of Economic Advisers

Transcript:

Press briefing on the Williamsburg Economic Summit Conference—by Secretary of State George P. Shultz and Secretary of the Treasury Donald T. Regan

Transcript:

Press briefing on the Williamsburg Economic Summit Conference—by W. Allen Wallis, Under Secretary of State for Economic Affairs, Beryl W. Sprinkel, Under Secretary of the Treasury for Monetary Affairs, and Henry Nau, senior staff member of the National Security Council

Released May 26

Announcement:

Nomination of Gene Carter to be United States District Judge for the District of Maine and Hector M. Laffitte to be United States District Judge for the District of Puerto Rico

Released May 27

Transcript:

Press briefing on the nomination of Langhorne A. Motley to be Assistant Secretary of State for Inter-American Affairs and the President's intention to nominate Thomas O. Enders for a major

Released May 27—Continued

diplomatic post—by Secretary of State George P. Shultz

Released May 29

Transcript:

Joint statement of the Williamsburg Economic Summit Conference participants concerning security issues (as read by Secretary of State George P. Shultz on behalf of the participants)

Transcript:

Press briefing on the joint statement of the Williamsburg Economic Summit Conference participants concerning security issues—by Secretary of State George P. Shultz

Transcript:

Press briefing on the discussions at the Williamsburg Economic Summit Conference—by Secretary of the Treasury Donald T. Regan

Released May 30

Transcript:

Press briefing on the discussions at the Williamsburg Economic Summit Conference—by Secretary of State George P. Shultz

Transcript:

Press briefing on the discussions at the Williamsburg Economic Summit Conference—by Secretary of the Treasury Donald T. Regan

Readout:

Bilateral meeting between the President and Chancellor Helmut Kohl of the Federal Republic of Germany—by an administration official

Released June 1

Transcript:

Press briefing on the details of the proposed Department of International Trade and Industry—by Counsellor to the President Edwin Meese III, Secretary of Commerce Malcolm Baldrige, Ambassador William E. Brock, U.S. Trade Representative, and Senator William V. Roth, Jr., of Delaware

Transcript:

Statement by Ambassador Edward L. Rowny, Special Representative for Negotiations, U.S. Arms Control and Disarmament Agency, following his meeting with the President to discuss the resumption of the strategic arms reduction talks (START) in Geneva

Appendix C

Released June 3

Transcript:

Press briefing on the unemployment figures for May—by Martin S. Feldstein, Chairman of the Council of Economic Advisers

Released June 6

Announcement:

Nomination of Peter C. Dorsey to be United States District Judge for the District of Connecticut and Stephen N. Limbaugh to be United States District Judge for the Eastern and Western Districts of Missouri

Announcement:

Submission to the President of the report of Emergency Board No. 201 to investigate a railroad labor dispute

Released June 8

Statement:

Strategic arms reduction talks (as read by the President to reporters in the Rose Garden)

Released June 15

Excerpts:

Remarks at the annual convention of the National Parent-Teacher Association in Albuquerque, N. Mex.

Advance text:

Remarks at the annual convention of the National Parent-Teacher Association in Albuquerque, N. Mex.

Released June 20

Advance text:

Remarks at a dinner honoring Representative Trent Lott in Jackson, Miss.

Released June 21

Announcement:

Nomination of Marvin Katz to be United States District Judge for the Eastern District of Pennsylvania

Announcement:

Nomination of James McGirr Kelly to be United States District Judge for the Eastern District of Pennsylvania

Released June 21—Continued

Announcement:

Nomination of Thomas N. O'Neill to be United States District Judge for the Eastern District of Pennsylvania

Released June 22

Advance text:

Remarks at the national conference of the National Federation of Independent Business

Released June 23

Advance text:

Remarks at the annual meeting of the American Medical Association's House of Delegates in Chicago, Ill.

Released June 27

Statement:

On the receipt by the White House from Patrick Caddell, former campaign pollster for Jimmy Carter, of a copy of "the briefing book used by President Carter in his preparation for the October 28, 1980, debate" as well as "the supplementary foreign policy questions and answers"—by Deputy Press Secretary Larry M. Speakes

Released June 28

Fact sheet:

President's Commission on Industrial Competitiveness

List:

Materials being released to the public, together with related documents, that relate to allegations concerning certain briefing materials that the 1980 Reagan campaign organization may have received from the Carter campaign or the Carter administration

Announcement:

Nomination of Stephen J. Swift to be a Judge of the United States Tax Court

Announcement:

Nomination of Judith W. Rogers to be an Associate Judge of the District of Columbia Court of Appeals

Announcement:

Nomination of Bruce D. Beaudin and A. Franklin Burgess to be Associate Judges of the Superior Court of the District of Columbia

Released June 29

Advance text:

Remarks at the annual leadership conference of the National Vocational Industrial Clubs of America in Louisville, Ky.

Advance text:

Remarks at the national conference of the National Association of Student Councils in Shawnee Mission, Kans.

Released June 30

Advance text:

Remarks at the regional forum of the National Commission on Excellence in Education in Whittier, Calif.

Advance text:

Remarks at a California Republican Party fundraising dinner in Long Beach

Appendix D—Acts Approved by the President

Approved January 3

S. 625 / Public Law 97-405

An act to revise the boundary of Voyageurs National Park in the State of Minnesota, and for other purposes.

S. 1501 / Public Law 97-406

Educational Mining Act of 1982.

S. 1965 / Public Law 97-407

Paddy Creek Wilderness Act of 1981.

S. 1986 / Public Law 97-408

An act to provide for the use and distribution of funds awarded to the Blackfeet and Gros Ventre Tribes of Indians and the Assiniboine Tribe of Fort Belknap Indian Community, in certain dockets of the United States Court of Claims and of funds awarded to the Papago Tribe of Arizona in dockets numbered 345 and 102 of the Indian Claims Commission, and for other purposes.

S. 2059 / Public Law 97-409

Ethics in Government Act Amendments of 1982.

S. 2355 / Public Law 97-410

Telecommunications for the Disabled Act of 1982.

S. 2955 / Public Law 97-411

Cheaha Wilderness Act.

S. 3103 / Public Law 97-412

An act to amend section 1304(e) of title 5, United States Code.

S.J. Res. 270 / Public Law 97-413

A joint resolution to designate 1983 as the "Bicentennial of Air and Space Flight".

H.R. 2520 / Private Law 97-47

An act for the relief of Emanuel F. Lenkersdorf.

S. 717 / Private Law 97-48

An act for the relief of Carole Joy Maxfield-Raynor and Bruce Sherlock Maxfield-Raynor, wife and husband, and their children Charlton Bruce Maxfield-Raynor and Maxine Anne Maxfield-Raynor.

S. 835 / Private Law 97-49

An act for the relief of Jerry L. Crow and Ralph D. and Connie V. Hubbell.

Approved January 3—Continued

S. 1364 / Private Law 97-50

An act for the relief of Jose Ramon Beltron Aivenda Ostler.

S. 1838 / Private Law 97-51

An act for the relief of Cesar Noel Jump.

Approved January 4

H.R. 5238 / Public Law 97-414

Orphan Drug Act.

H.R. 2330 / Public Law 97-415

An act to authorize appropriations to the Nuclear Regulatory Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and section 305 of the Energy Reorganization Act of 1974, as amended, and for other purposes.

H.R. 6120 / Public Law 97-416

An act to reauthorize the Deep Seabed Hard Mineral Resources Act for fiscal years 1983 and 1984.

H.R. 6804 / Public Law 97-417

An act to provide subsistence allowances for members of the Coast Guard officer candidate program, and for other purposes.

H.R. 6254 / Public Law 97-418

An act to amend title 3, United States Code, to clarify the function of the United States Secret Service Uniformed Division with respect to certain foreign diplomatic missions in the United States, and for other purposes.

S.J. Res. 258 / Public Law 97-419

A joint resolution to authorize and request the President to designate the month of December 1982 as "National Closed-Captioned Television Month".

H.J. Res. 619 / Public Law 97-420

A joint resolution designating January 17, 1983, as "Public Employees' Appreciation Day".

H.J. Res. 630 / Public Law 97-421

A joint resolution to commemorate the one hundred and fiftieth anniversary of the founding of Greene County, Missouri.

Appendix D

Approved January 4—Continued

H.R. 7420 / Public Law 97-422

An act to name the fish hatchery at the Warm Springs Dam component of the Russian River, Dry Creek, California project as the Don H. Clausen Fish Hatchery.

H.R. 7406 / Public Law 97-423

An act to designate a certain Federal building in Springfield, Illinois the "Paul Findley Building".

H.R. 2481 / Private Law 97-52

An act for the relief of Cynthia Gambon Rabena.

Approved January 6

H.R. 6211 / Public Law 97-424

Surface Transportation Assistance Act of 1982.

H.R. 4746 / Private Law 97-53

An act for the relief of Kin Chi Eng Sims.

H.R. 5633 / Private Law 97-54

An act for the relief of Dana Braford Baretto.

Approved January 7

H.R. 3809 / Public Law 97-425

Nuclear Waste Policy Act of 1982.

Approved January 8

H.R. 2475 / Public Law 97-426

An act to modify a withdrawal of certain lands in Mono County, California, to facilitate an exchange for certain other lands in Mono County, California, and for other purposes.

H.R. 7423 / Public Law 97-427

An act to recognize the organization known as Former Members of Congress.

H.R. 4001 / Public Law 97-428

An act to authorize the exchange of certain land held in trust by the United States for the Navajo Tribe, and for other purposes.

H.R. 4496 / Public Law 97-429

Texas Band of Kickapoo Act.

H.R. 5027 / Public Law 97-430

An act to designate the building known as the United States Post Office and Courthouse in Norfolk, Virginia, as the "Walter E. Hoffman United States Courthouse".

H.R. 4568 / Public Law 97-431

An act to direct the Secretary of the Interior to release on behalf of the United States certain restrictions contained in a previous conveyance of land to the city of Albuquerque, New Mexico, and for other purposes.

Approved January 8—Continued

H.R. 5456 / Public Law 97-432

An act to amend the Plant Quarantine Act of August 20, 1912, as amended, to eliminate certain unnecessary regulatory requirements.

H.R. 7316 / Public Law 97-433

National Park System Visitor Facilities Fund Act.

H.R. 5916 / Public Law 97-434

An act to declare certain Federal lands acquired for the benefit of Indians to be held in trust for the Tribes of such Indians.

H.R. 6419 / Public Law 97-435

An act to direct the Secretary of the Interior to release certain conditions contained in a patent concerning certain land conveyed by the United States to Eastern Washington University.

H.R. 6243 / Public Law 97-436

An act to provide for the distribution of Warm Springs judgment funds awarded in docket numbered 198 before the Indian Claims Commission, and for other purposes.

H.R. 6519 / Public Law 97-437

An act to amend title 5, United States Code, to allow student interns of the Internal Revenue Service to have access to certain information required by such students in the performance of their official duties.

H.R. 7143 / Public Law 97-438

An act to amend the Foreign Assistance Act of 1961 to extend for an additional year the Agricultural and Productive Credit and Self-Help Community Development Programs.

H.R. 7005 / Public Law 97-439

Federal Seed Act Amendments of 1982.

H.R. 7159 / Public Law 97-440

An act to amend the Federal Water Pollution Control Act to allow modifications of certain effluent limitations relating to biochemical oxygen demand and pH.

S.J. Res. 101 / Public Law 97-441

A joint resolution designating "National High School Activities Week".

S.J. Res. 240 / Public Law 97-442

A joint resolution to authorize and request the President to designate the week of January 16, 1983, through January 22, 1983, as "National Jaycee Week".

Approved January 8—Continued

S.J. Res. 264 / Public Law 97-443

A joint resolution to designate the week of March 13, 1983, through March 19, 1983, as "National Children and Television Week".

H.R. 5826 / Private Law 97-55

An act to provide for the reinstatement and validation of United States oil and gas lease numbered W-24153.

Approved January 11

H.R. 5447 / Public Law 97-444

Futures Trading Act of 1982.

Approved January 12

H.J. Res. 459 / Public Law 97-445

A joint resolution authorizing the President to proclaim May 13, 1983, as "American Indian Day".

H.R. 4566 / Public Law 97-446

An act to reduce certain duties, to suspend temporarily certain duties, to extend certain existing suspensions of duties, and for other purposes.

H.R. 4491 / Public Law 97-447

An act to exempt the United States Capitol Historical Society from certain taxes.

H.R. 6056 / Public Law 97-448

Technical Corrections Act of 1982.

H.R. 6993 / Public Law 97-449

An act to revise, codify, and enact without substantive change certain general and permanent laws related to transportation as subtitle I and chapter 31 of subtitle II of title 49, United States Code, "Transportation".

H.R. 5029 / Public Law 97-450

An act to designate the Federal Building in Fresno, California, as the "B. F. Sisk Federal Building".

H.R. 5121 / Public Law 97-451

Federal Oil and Gas Royalty Management Act of 1982.

H.R. 7378 / Public Law 97-452

An act to codify without substantive change recent laws related to money and finance and to improve the United States Code.

H.R. 5002 / Public Law 97-453

An act to improve fishery conservation and management.

H.R. 7410 / Public Law 97-454

An act to amend title 13, United States Code, to transfer responsibility for the quarterly financial

Approved January 12—Continued

report from the Federal Trade Commission to the Secretary of Commerce, and for other purposes.

H.R. 7093 / Public Law 97-455

An act to amend the Internal Revenue Code of 1954 to reduce the rate of certain taxes paid to the Virgin Islands on Virgin Islands source income, to amend the Social Security Act to provide for a temporary period that payment of disability benefits may continue through the hearing stage of the appeals process, and for other purposes.

H.R. 6094 / Public Law 97-456

An act to authorize appropriations for the United States International Trade Commission, the United States Customs Service, and the Office of the United States Trade Representative for fiscal year 1983, and for other purposes.

S.J. Res. 271 / Public Law 97-457

A joint resolution to make technical corrections in certain banking and related statutes.

H.R. 3731 / Public Law 97-458

An act to amend the Act of October 19, 1973 (87 Stat. 466), relating to the use or distribution of certain judgment funds awarded by the Indian Claims Commission or the Court of Claims.

S. 503 / Public Law 97-459

An act to authorize the purchase, sale, and exchange of lands by Indian tribes and by the Devils Lake Sioux Tribe of the Devils Lake Sioux Reservation of North Dakota specifically, and for other purposes.

S. 1540 / Public Law 97-460

An act to revise the boundaries of the Saratoga National Historical Park in the State of New York, and for other purposes.

H.R. 6679 / Public Law 97-461

An act to authorize the Secretary of Agriculture to assess civil penalties with respect to violations of certain Acts relating to the prevention of the introduction and dissemination into the United States of plant pests, plant diseases, and livestock and poultry diseases, to increase the amount of criminal fines which may be imposed with respect to violations of such Acts, and for other purposes.

H.R. 7154 / Public Law 97-462

Federal Rules of Civil Procedure Amendments Act of 1982.

Appendix D

Approved January 12—Continued

S. 2863 / Public Law 97-463

An act to amend title 28 to provide protection to all jurors in Federal cases to clarify the compensation of attorneys for jurors in protecting their employment rights, and authorizing the service of jury summonses by ordinary mail.

S. 2273 / Public Law 97-464

An act to amend the Earthquake Hazards Reduction Act of 1977 to extend authorizations of appropriations, and for other purposes.

S. 705 / Public Law 97-465

An act to authorize the Secretary of Agriculture to convey certain National Forest System lands, and for other purposes.

H.R. 4350 / Private Law 97-56

An act for the relief of Arthur J. Grauf.

Approved January 13

H.R. 5161 / Public Law 97-466

An act to designate certain lands in the Monongahela National Forest, West Virginia, as wilderness; and to designate management of certain lands for uses other than wilderness.

Approved January 14

H.R. 6538 / Public Law 97-467

An act to designate the Federal Building in Lima, Ohio, as the "Tennyson Guyer Federal Building".

H.R. 3420 / Public Law 97-468

An act making technical corrections to the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979, and for other purposes.

H.J. Res. 635 / Public Law 97-469

A joint resolution establishing the dates for submission of the Budget and Economic Report.

H.R. 7102 / Public Law 97-470

Migrant and Seasonal Agricultural Worker Protection Act.

S. 3105 / Public Law 97-471

An act to modify the judicial districts of West Virginia, and for other purposes.

S.J. Res. 260 / Public Law 97-472

A joint resolution to designate the period commencing January 1, 1983, and ending December 31, 1983, as the "Tricentennial Anniversary Year of German Settlement in America".

H.R. 5470 / Public Law 97-473

An act to amend the Internal Revenue Code of 1954 with respect to the tax treatment of periodic payments for damages received on account of

Approved January 14—Continued

personal injury or sickness, and for other purposes.

Approved February 15

S. 61 / Public Law 98-1

An act to designate a "Nancy Hanks Center" and the "Old Post Office Building" in Washington, District of Columbia, and for other purposes.

Approved February 16

H.J. Res. 60 / Public Law 98-2

A joint resolution to direct the President to issue a proclamation designating February 16, 1983, as "Lithuanian Independence Day".

Approved March 8

S.J. Res. 37 / Public Law 98-3

A joint resolution providing that the week containing March 8, 1983, shall be designated as "Women's History Week".

Approved March 11

H.R. 1296 / Public Law 98-4

Payment-in-Kind Tax Treatment Act of 1983.

S.J. Res. 15 / Public Law 98-5

A joint resolution designating the month of March 1983 as "National Eye Donor Month".

Approved March 16

H.R. 1572 / Public Law 98-6

An act to repeal section 311 of the Federal Public Transportation Act of 1982.

S.J. Res. 21 / Public Law 98-7

A joint resolution to designate April 1983 as "National Child Abuse Prevention Month".

Approved March 24

H.R. 1718 / Public Law 98-8

An act making appropriations to provide productive employment for hundreds of thousands of jobless Americans, to hasten or initiate Federal projects and construction of lasting value to the Nation and its citizens, and to provide humanitarian assistance to the indigent for fiscal year 1983, and for other purposes.

S.J. Res. 35 / Public Law 98-9

A joint resolution designating the week beginning March 20, 1983, as "National Mental Health Counselors Week".

S.J. Res. 65 / Public Law 98-10

A joint resolution designating March 21, 1983, as "Afghanistan Day".

Approved March 28

S. 271 / Public Law 98-11

An act to amend the National Trails System Act by designating additional national scenic and historic trails, and for other purposes.

Approved March 29

H.R. 2112 / Public Law 98-12

An act to extend by six months the expiration date of the Defense Production Act of 1950.

H.R. 2369 / Public Law 98-13

An act to prevent the temporary termination of the Federal Supplemental Compensation Act of 1982.

Approved March 30

H.R. 1936 / Public Law 98-14

An act to amend title 37, United States Code, to extend certain expiring enlistment and reenlistment bonuses for the Armed Forces.

Approved April 4

S.J. Res. 64 / Public Law 98-15

A joint resolution to commemorate the two hundredth anniversary of the signing of the Treaty of Amity and Commerce between Sweden and the United States.

H.J. Res. 175 / Public Law 98-16

A joint resolution to authorize and request the President to proclaim May 1983 as "National Amateur Baseball Month".

Approved April 5

S. 926 / Public Law 98-17

An act to establish uniform national standards for the continued regulation, by the several States, of commercial motor vehicle width on interstate highways.

S.J. Res. 32 / Public Law 98-18

A joint resolution to provide for the designation of May 1983 as "National Arthritis Month".

Approved April 15

S.J. Res. 52 / Public Law 98-19

A joint resolution to authorize and request the President to designate the week of April 10, 1983, through April 16, 1983, as "National Mental Health Week".

Approved April 19

H.J. Res. 80 / Public Law 98-20

A joint resolution to authorize and request the President to issue a proclamation designating

Approved April 19—Continued

April 17 through April 24, 1983, as "Jewish Heritage Week".

Approved April 20

H.R. 1900 / Public Law 98-21

Social Security Amendments of 1983.

Approved April 22

S. 89 / Public Law 98-22

Saccharin Study and Labeling Act Amendment of 1983.

Approved April 26

S.J. Res. 53 / Public Law 98-23

A joint resolution to authorize and request the President to designate the month of May 1983 as "National Physical Fitness and Sports Month".

S. 126 / Public Law 98-24

Alcohol and Drug Abuse Amendments of 1983.

Approved May 2

S. 304 / Public Law 98-25

An act to hold a parcel of land in trust for the Burns Paiute Tribe.

Approved May 4

H.J. Res. 245 / Public Law 98-26

A joint resolution to correct Public Law 98-8 due to errors in the enrollment of H.R. 1718.

S.J. Res. 62 / Public Law 98-27

A joint resolution to provide for the designation of the week beginning on May 15, 1983, as "National Parkinson's Disease Week".

Approved May 10

H.R. 2600 / Public Law 98-28

An act to dedicate the Golden Gate National Recreation Area to Congressman Phillip Burton.

Approved May 16

S. 1011 / Public Law 98-29

An act to amend the Federal Deposit Insurance Act to provide for the issuance of income capital certificates.

Approved May 18

S.J. Res. 51 / Public Law 98-30

A joint resolution designating May 21, 1983, as "Andrei Sakharov Day".

Appendix D

Approved May 20

H.J. Res. 219 / Public Law 98-31

A joint resolution declaring the support of the United States Government for efforts of the United States Soccer Federation to bring the World Cup to the United States in 1986, designating the Secretary of Commerce as the official representative of the United States Government to the Federation Internationale de Football Association, and for other purposes.

Approved May 23

S. 287 / Public Law 98-32

An act to establish the Harry S Truman National Historic Site in the State of Missouri, and for other purposes.

Approved May 25

S. 957 / Public Law 98-33

An act to provide for an increase in the number of members of the Congressional Award Board, and for other purposes.

Approved May 26

H.R. 2990 / Public Law 98-34

An act to increase the permanent public debt limit, and for other purposes.

H.J. Res. 265 / Public Law 98-35

A joint resolution to provide for the temporary extension of certain insurance programs relating to housing and community development, and for other purposes.

Approved May 27

S. 653 / Public Law 98-36

Foundation for the Advancement of Military Medicine Act of 1983.

Approved June 6

S. 967 / Public Law 98-37

An act to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1984, 1985, and 1986.

H.R. 2681 / Public Law 98-38

An act to make certain amendments to sections 4, 13, 14, 15, and 15B of the Securities Exchange Act of 1934.

Approved June 13

H.J. Res. 201 / Public Law 98-39

A joint resolution designating June 14, 1983, as "Baltic Freedom Day".

Approved June 14

S.J. Res. 75 / Public Law 98-40

A joint resolution to provide for the designation of June 12 through 18, 1983, as "National Scleroderma Week".

Approved June 20

H.J. Res. 234 / Public Law 98-41

A joint resolution designating the week beginning June 19, 1983, as "National Children's Liver Disease Awareness Week".

Approved June 22

S.J. Res. 42 / Public Law 98-42

A joint resolution designating Alaska Statehood Day, January 3, 1984.

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